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CITY WEST HOUSING

RENT POLICY

HOUSING SERVICES

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DOCUMENT AND AMENDMENT HISTORY

VERSION NUMBER	DATE	SUMMARY OF CHANGES
1.1	July 2014	Policy published
1.3	April 2015	Minor changes
1.4	November 2018	Minor changes
2.0	August 2019	Rent policy reform
2.1	December 2020	Resident Portal added
2.2	February 2021	Minor changes
2.3	April 2024	Update to external links
2.4	April 2025	Updated for Boronia (HAFF funding), streamlined based on feedback
2.5	November 2025	Clarified statutory income and updated to align to RTA Changes

This document can be downloaded from www.citywesthousing.com.au

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1. PURPOSE

The Rent Policy sets out how and when properties owned by the City West Housing Group (CWH) calculates the rent that residents need to pay (Tenant Contribution).

This policy covers each of the entities forming part of the City West Housing Group (this group of entities is referred to in this Policy as 'CWH').

2. BACKGROUND

CWH is committed to providing affordable rental housing.

CWH will calculate and charge rent in line with the NSW Ministerial Guidelines on Affordable Housing and the Community Housing Rent Policy. Some buildings will have different eligibility and rent setting requirements in line with funding.

Eligibility for affordable housing with CWH is set out in the Eligibility and Allocations Policy which can be found on our website.

3. DEFINITIONS

3.1. MARKET RENT

This is what the cost would be to rent the property in the private rental market. The rent charged by CWH will never be higher than the Market Rent. City West Housing contracts a valuer to determine Market Rent annually. The valuer looks at the age, condition and configuration of the building to ensure it is in line with the market.

3.2. DISCOUNTED MARKET RENT (DMR)

The DMR is 74.9% of the Market Rent. CWH will never charge you more than 74.9% of market rent as long as you remain eligible for affordable housing with CWH.

3.3. RENT SUBSIDY

This is the difference between the rent paid by a tenant of CWH and the market rent. The rent subsidy varies according to the income level of the household.

To receive a rent subsidy, tenants are required to complete a Rent Review as outlined below.

3.4. TENANT

The person who signs the Residential Tenancy Agreement with CWH.

3.5. HOUSEHOLD MEMBERS

Anyone who has been approved by CWH to live in the property with the tenant.

3.6. RESIDENT

Either a tenant or household member.

3.7. TENANT CONTRIBUTION

The rent charge that a tenant needs to pay.

4. HOW DO WE SET RENTS?

CWH tenants are charged a subsidised rent based on the household's gross income. This is referred to as an income-based rent.

The Tenant Contribution to rent is charged based on the assessable income of each household member aged 18 or over. What we include as assessable income is detailed in section 6.

Commonwealth Rent Assistance (CRA) is a rental supplement paid to eligible households as a contribution to rent. It is not treated as assessable income.

CWH will include 100% of the CRA entitlement for eligible households in the rental charge.

More detailed information on how we calculate your Tenant Contribution to rent is in the *Rent Fact Sheet for your property*

The percentage of income charged as rent is set out below:

PERSON AND INCOME	PERCENTAGE CHARGED
Tenant and household members (with exceptions as per below)	25% - 30%
EXCEPTIONS	
Household members who are 18 – 20 years of age (who are not the tenant, their spouse or live in partner)	15%
Household members under 18 years of age	Nil
Family Tax Benefit A and B received by all household members	15%
Child Support/ Maintenance Income	25%

5. EXCEPTION TO INCOME BASED RENTS

CWH charges an income-based rent for most of our residents however there are a few exceptions.

Each year we look at what it would cost to rent our apartments in the private rental market. This varies by location, the building and the size of each apartment. This will determine the rent that you would be paying if you were not receiving a subsidy and is known as the Market Rent. We also work out the Discounted Market Rent (DMR) for your apartment, which is calculated at 74.9% of the Market Rent.

5.1. DISCOUNTED MARKET RENT (DMR)

If the DMR is less than the rent you would otherwise have been charged based on 30% of your assessable household income, we will use the DMR as the basis for setting your contribution to rent amount.

In order to remain a CWH tenant you must continue to meet income and other eligibility requirements as outlined in the Eligibility and Allocations Policy.

5.2. MARKET RENT

While CWH will not usually charge residents more than 30% of their gross household income as the Tenant Contribution to rent, we reserve the right to charge Market Rent if you do not provide updated income information on request. Updated income information is requested as part of our regular rent review process.

We might also charge you Market Rent if you exceed the income eligibility for affordable housing and need time to identify alternative accommodation.

Where CWH has reviewed the Market Rent for your apartment and there has been a change, we will notify you of the revised Market Rent within 60 days.

6. RENT REVIEW

Rent reviews can be initiated by CWH or by Tenants.

CWH will aim to process rent reviews and calculate the new rent within 28 days of receiving all necessary documentation from you.

6.1. CWH INITIATED RENT REVIEW

The way that CWH will review rent charges depends on whether a household is eligible for CRA.

- CRA eligible households will be reviewed every six months.
- All other households will be reviewed annually.

6.2. TENANT INITIATED RENT REVIEW

At any time during the year, if a household's income substantially changes (an increase or decrease of 10% or more) the Tenant is obligated to notify CWH within 21 days of the change. The Housing Manager will advise the Tenant of a time period to provide the relevant documentation.

Any resident who does not let CWH know about a substantial increase in income risks having a large rent arrears debt placed on their account as the increased rent will be backdated to the time of the change in income.

6.3. FAILURE TO PROVIDE DOCUMENTATION

Documentation for rent reviews needs to be provided to CWH within 21 days of the request. If this does not happen, CWH may charge the market rent and/or pursue action in the NSW Civil and Administrative Tribunal to end the tenancy depending on the circumstances.

6.4. START DATE FOR NEW RENT CHARGES

Following a rent review, the new rent charge may not be applied immediately. If CWH has requested documents for a rent review, CWH will notify the Tenant of the date the new rent charge will apply once the calculation has been completed.

If a resident has had a change in income, the start date of the new rent charge is summarised below:

OUTCOME OF RENT REVIEW	WHEN CWH WAS NOTIFIED	NEW RENT EFFECTIVE DATE
Rent is increasing	Within 21 days of increase in income	The billing date after the rent review is completed
Rent is increasing	Did not advise within 21days of increase in income	The date that the income changed
Rent is decreasing	Within 21 days of decrease in income	The date that the income changed
Rent is decreasing	Did not advise within 21 days of decrease in income	The billing date after the rent review is completed

It is the responsibility of all residents to check that CWH's assessment of income accurately reflects their circumstances.

The Head of Housing Services & Community Engagement can make out of guidelines decisions about the start date for any changes to rents.

7. WHAT PROOF OF INCOME DO RESIDENTS NEED TO PROVIDE?

It is the responsibility of all residents to provide income details for all household members aged 18 years and older. Where a household member earns income from more than one source CWH requires all income to be declared.

Income and assets evidence documents must not be more than three months old on the date they are submitted to CWH, and Centrelink income statements must be current showing the change in payments in line with the most recent indexation. An exemption is given for Tax Returns and Profit and Loss Statements, which must not be more than 13 months old. The table below summarises the information that is needed:

TYPE OF INCOME	PROOF REQUIRED
Income support payment from Centrelink or Veteran's Affairs	Income Statement from Centrelink or Veteran's Affairs (unless consent has been given for CWH to access the Income Statement from Centrelink).
Wages / salaries	The most recent tax return and the most recent payslip if a year-to-date figure is included, otherwise the last three months of payslips will be required.
Self employed	Profit and loss statement completed by an accountant or the most recent business tax return.
Income from an overseas government, Workcover or an insurance agency/company	A letter or statement showing the total amount of money paid and the frequency of payments.
Income from investments	Letter or statement from a finance or investment company showing any money paid.
Child support	If income is also received from Centrelink, the amount of child support declared in the income statement from Centrelink will be used. If no Centrelink is received or child support isn't paid a transaction statement from the Child Support Agency is required. If the maintenance income doesn't reflect the amount received, the tenant is required to provide a transaction statement from the Child Support Agency as evidence of payments received.
Other	Letter from a company or agency showing the type, amount and frequency of payments.

For a detailed list of requirements for proof of income, assessable and non-assessable income please see the Community Housing Rent Policy .

Where CWH becomes aware that a resident has provided false, incomplete or misleading household income information or has allowed an unauthorised occupant to live in their property we will investigate this. Please see CWH's Rental Fraud Policy.

If rental fraud has been found to occur, CWH will either backdate the increase in rent to the time that the income increased or in more serious cases, take action to terminate the tenancy and pursue the rent owing.

8. OTHER INCOME AND NO INCOME

8.1. LUMP SUM PAYMENTS

If a resident receives a lump sum payment the way this is handled in the rent review process depends on several factors including:

- The size of the payment
- How the payment is being made (in instalments or in one go); and
- Whether or not it impacts on the receipt of Centrelink payments.

Lump sum payments paid in instalments will be treated as income for the purposes of the rent calculation. If a resident is no longer working and the instalments are less than the income support payment that the resident would otherwise be eligible for, the rent will be based on the full entitlement of the income support payment.

Any income from the investment of a lump sum payment will be included as income when calculating the rent amount.

If a lump sum payment is paid in full and prevents a resident from receiving an income support payment, proof confirming this from Centrelink will be needed. Once provided CWH will calculate rent based on the relevant income support payment (based on the age and household details).

Any lump sum payment will be assessed to determine if the resident continues to be eligible to receive housing from CWH. If the resident could use the lump sum payment to resolve their own housing need, they will not be eligible to receive or continue to receive housing from CWH.

8.2. NO INCOME OR REDUCED INCOME

In some instances, a resident receives no Centrelink income or a reduced Centrelink income because they:

- Have chosen not to apply for an income e.g. Centrelink to which they are entitled
- Are not eligible to receive income from Centrelink because:
    - They have gone overseas
    - They receive a Jobseeker Payment, have not sought work and have become ineligible for further payments for a specified period
    - They have received a compensation or other lump sum payment, or Centrelink deems them to have sufficient resources, and Centrelink expects them to use those resources for living expenses
- Have breached Centrelink requirements or are repaying a Centrelink debt
- Are New Zealand citizens who are in Australia on a non-protected Special Category Visa

In these situations, CWH will assume that a resident receives a full Centrelink income and will base the rent calculation on the Centrelink payment they would otherwise be entitled. This also applies to CRA.

8.3. REDUCED RENT

In exceptional circumstances, CWH can reduce rent to $10 per fortnight for a limited period. Appropriate evidence is required to support such a request. Examples of when this may happen include a resident being away from their property to stay in a rehabilitation facility where they are paying most or all of their income in fees to the facility. For more information, please see the Approved Absences Policy.

9. WHAT IF I GO OVER THE INCOME LIMITS?

If a household exceeds the income eligibility threshold, the household is no longer eligible for housing with CWH. The income eligibility limits will be in line with the CWH Eligibility Policy and Affordable Housing Ministerial Guidelines and any Program requirements. CWH will allow the resident a period of time to relocate to other accommodation.

PROGRAM	APPROACH
CWH Pty Ltd NRAS Properties	Discounted market rent. Tenancy ends after 24 months over income
CWH Pty Ltd non-NRAS Properties	First 3 months at discounted market rent followed by market rent. Tenancy ends after 12 months over income
CWH Boronia – Social Housing	Tenancy ends after 12 months over income (where possible will consider transfer options to affordable)
CWH Boronia – Affordable Housing	First 3 months at discounted market rent followed by market rent. Tenancy ends after 12 months over income

For tenants who have relocated from Waterloo South, there are additional provisions which are outlined in the Rent Fact Sheet – Waterloo Relocating Tenants.

10. OTHER CHARGES

Our Water Charging Policy and Resident Charge Policy outline how other charges are allocated to Tenants. These are available on our website or by contacting our office.