

1.0 Rent Policy

2.0 Identification Grid

Date first approved: 20/05/2015	Date of effect: 30/4/2019
Date last amended: 30/4/2019	Date of next review: 30/4/2021
Policy Owner: GM Keeping Housing	Portfolio: Keeping Housing
Content Owner (Author): GM Keeping Housing	

3.0 Purpose

This policy outlines how Launch Housing sets rent for its properties, based on the following principles:

- Rent is set at a rate that is affordable for tenants.
- Rent charges and rent collection practises will maintain the financial sustainability of the organisation.

4.0 Definitions

CRA	Commonwealth Rent Assistance - financial help to eligible people receiving a Centrelink payment who pay rent and are not public housing tenants.
DHHS	Department of Health and Human Services.
VHR	The Victorian Housing Register, the state-wide common application for people seeking community and public housing.
HGREA	HomeGround Real Estate.
THM	Transitional Housing Management.
Gross Household Income	Total household income before tax.
FTB	Family Tax Benefit – financial help to eligible families to support their income.
Financial Hardship	Financial hardship can be described as an ongoing state of financial disadvantage which results in a tenant being unable to pay rent without affecting their ability to meet their basic living needs.

5.0 Policy Details

5.1 Scope

This policy covers Launch Housing owned or managed long term community housing properties and THM properties. This policy does not apply to Crisis Accommodation or properties managed by HGREA.

5.2 Policy Context

Launch Housing owns and manages a range of properties under various housing programs. Rent charges vary as shown in the following table:

Housing type	Description	Rental charges
Long Term Housing properties	Community and affordable housing, including those within scope for the VHR.	30% (exl General Lease) of gross income, 15% of FTB, maximum CRA, plus utility costs where applicable.
General Lease properties	Properties owned by DHHS that Launch Housing manage.	25% of gross income, 15% of FTB, plus maximum CRA.
Transitional Housing	Short to medium term transitional properties managed on behalf of DHHS.	25% of gross income, 15% of FTB.
Youth Foyers	Education First Youth Foyers for young people aged 16-25 for up to two years.	25% of income, plus \$10 per fortnight for utilities.
Head Lease Properties	Properties leased by Launch Housing in the private market that are then sublet to a Launch Housing tenant.	Ranges from 30% of income up to 100% of market rent, 15% of FTB, plus maximum CRA.

5.3 Policy Principles

- 5.3.1 Launch Housing sets rents in a fair and transparent manner.
- 5.3.2 Launch Housing uses DHHS guidelines to set rent together with any other guidelines which apply under particular funding or leasing programs. <https://providers.dhhs.vic.gov.au/rent-setting-registered-housing-agencies>
- 5.3.3 Where service or utilities charges apply to a property (e.g. water, gas or electricity), the tenant will be charged at the market rate or at cost. The service charge is additional to the rent charge.
- 5.3.4 Launch Housing will set rent between 25% - 30% of gross income, and no more than 74.9% of market rent (in circumstances where evidence of income is not provided, the full market rent will apply). Head Lease properties can increase to 100% of market rent.

5.4 Provision of information about household income

- 5.4.1 Tenants and applicants are obliged to provide reasonable evidence that establishes their total household income:
- Before being offered a tenancy with Launch Housing; and
 - When Launch Housing carries out a rent review.
- 5.4.2 Launch Housing may increase a tenant's rent to market rent or refuse to provide an income based rent calculation if the tenant does not provide the income information within the timeframe required.
- 5.4.3 If a tenant subsequently provides information about household income after a rent review, changes will only take effect on and from the date the tenant provided reasonable details of the household income. Launch Housing may agree to back-date changes in rent in circumstances where Launch Housing determines that this will cause financial hardship (see Hardship Policy).

5.5 Rent Setting

- 5.5.1 Rent will be set at the commencement of the tenancy, based on the household income and will be reviewed on an annual basis.

- 5.5.2 The calculation of 'rent payable' amounts will be made available to the tenant and, if necessary, to their support worker.
- 5.5.3 Where a household is not receiving any income, their rent will be determined based on all incomes the household members are entitled to receive regardless as to whether they actually receive the income.
- 5.5.4 All tenants have the right to ask Launch Housing to review their rent charge. Tenants who remain concerned may refer the matter to the Housing Registrar, <http://www.housingregistrar.vic.gov.au>

5.6 Determining Market Rent

- 5.6.1 Launch Housing will make an assessment of the market rent on all properties every two years.
- 5.6.2 Launch Housing may also, from time to time, adjust market rents based on a review of publicly available data for comparable properties.

5.7 Policy Changes

- 5.7.1 Launch Housing may from time to time implement changes to this policy. The revised policy will apply to all tenancies on and from the date of the change.
- 5.7.2 Launch Housing will implement strategies to mitigate the effect of any changes of this policy on tenants and households.

6.0 Responsibilities

General Manager Keeping Housing	<ul style="list-style-type: none"> Ensure the policy is updated as per the regular policy review cycle or if there are changes to the compliance environment.
Group Manager and Co-ordinator	<ul style="list-style-type: none"> Implementation of this policy and monitor staff adherence to this policy.
Tenancy Manager	<ul style="list-style-type: none"> Responsible for the application and adherence to this policy.

7.0 Relevant Legislation & External Documents

- Department of Health and Human Services: Guidelines for Registered Agencies
- Lease agreements between the Director of Housing and Launch Housing
- Residential Tenancies Act 1997
- Housing Act 1983 (Vic)
- Housing Registrar Performance Standards for Registered Housing Agencies
- <https://providers.dhhs.vic.gov.au/rent-setting-registered-housing-agencies>

8.0 Supporting Documents & Implementation Tools

- Launch Housing Eligibility for Long Term Housing Policy
- Launch Housing Allocation of Long Term Housing Policy
- Launch Housing Tenancy Transfer Policy
- Launch Housing Rental Arrears Policy
- Launch Housing End of Tenancy Policy
- Launch Housing Client / Tenant Complaints and Appeals Policy