

Rent Management

Policy

BaptistCare charges rent in accordance with the requirements outlined in the NSW Community Housing Rent Policy. Rent is set to ensure affordable outcomes for tenants. Information about its policies and procedures to determine and manage rents is made available to the tenants so they understand and can make an informed decision.

Definitions	
Affordable Housing	Housing that is appropriate for the needs of a range of very low to moderate income households and priced so that these households are also able to meet other basic living costs, such as food, clothing, transport, medical care and education. As a rule of thumb, housing is usually considered affordable if it costs less than 30% of gross household income.
Assessable household income	Any income that is included in the calculation of a tenant household's rent payment. Assessable and non-assessable income is determined by Housing NSW and is outlined in the Community Housing Rent Policy, available on their website.
Rental Arrears Agreement	An agreement between BaptistCare and a tenant outlining a binding repayment schedule for rent arrears. This agreement is used when the tenant is unable to pay the arrears in a single lump sum, Repayments plans are to be fair and reasonable based on the tenant's income and expenses.
Residential Tenancy Agreement (Lease)	An agreement under which a person grants to another person for value a right of occupation of residential premises for the purpose of use as a residence.
Social Housing	Housing for people on a very low to low incomes. People within this group are eligible for public housing and are registered on the NSW Housing Register and are usually in receipt of some form of Centrelink or other statutory payment and have an annual income in the lowest quartile for income distribution in Australia.
Tenant	The person who has the right to occupy a residential premises under a residential tenancy agreement.
Transitional Housing	Short term tenancies, generally up to 18 months, where external support agencies refer potential tenants who have experienced domestic and family violence. Potential tenants participate in support programs and undertake transition planning to a longer term and/or permanent housing.

Procedure

Establishing Rent

Social Housing

Rent will be charged according to the NSW Community Housing Rent Policy.

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For information on household income eligibility for a rent subsidy and rent assessment rules, refer to: <https://www.facs.nsw.gov.au/housing/policies/tenancy-charges-account-management-policy-supplement#current>

Where a tenant is eligible for subsidised rent, the weekly rent payable is equal to:

Assessment rate	
25-30% *see note	of total weekly gross assessable income for: the tenant, their spouse or live-in partner, regardless of age; and those household members 21 years and over*see Note
+15%	of gross assessable weekly income for all household members aged between 18-20 years (who are not the tenant, their spouse or live-in partner)
+15%	of weekly Family Tax Benefit A & B payments which are not taken through the taxation system (where applicable and excluding FTB Energy Supplement)
+100%	of household's weekly Commonwealth Rental Assistance (CRA) entitlement

Note:

BaptistCare's housing for Seniors is for people who are 55 years of age or older, or if Aboriginal or Torres Strait Islander, 45 years of age or older.

Housing for Single Parent Families is for households consisting of one adult only with the child /children whom they have parental or care responsibility.

Where a tenant is not eligible for a subsidy, market rent applies.

Affordable Housing

Rent will be charged according to the NSW Affordable Housing Guidelines.

This will typically be 74.9% of the market rent.

<https://www.facs.nsw.gov.au/housing/help/ways/renting-affordable-housing>

Transitional Housing

The rent will be calculated in the same manner as the Social Housing rent in accordance with NSW Community Housing Rent Policy (outline above).

Household Income

- All income details need to be less than four months old.
- All household members who are wage or salary earners provide their six most recent fortnightly pay slips or a completed Employer Declaration stating their gross income (including allowances and any salary sacrificing amounts) for the last six months.
- Children aged under 18 years who are receiving an income including Youth Allowance, will not be charged rent, but they are still required to send in their income details.
- If a tenant is working part-time or casually and their income varies, they will be required to submit a minimum of 13 weeks' income details.

Visitors will not be considered part of the household if they are a genuine short term visitor at the property. To be regarded as a visitor the person must provide evidence acceptable to BaptistCare that he or she permanently resides at an alternative address. Such evidence might include a current driver's licence, identity card, current Centrelink statement and/or utility bills in that person's name.

Applicants who receive Centrelink payments are requested to sign a Centrelink Confirmation eService's Authorisation form allowing BaptistCare to confirm their income to calculate the rent payments.

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A copy of the calculation of income and rent, and the breakdown of payment amounts, will be provided to tenants at the start of their tenancy and at every rent review.

The Rent Subsidy Application form is to be used to establish household income.

Market Rent

Market rent is the rent that would be payable for the property in the private rental market. This is the rent that will be payable if the tenant ceases to be eligible for the rebated rent. This rent is shown on the first page of the Lease.

For newly established properties, or properties that are newly designated as Community Housing, BaptistCare will have a qualified person conduct an evaluation to determine market rent. Where the property has allocated National Rental Affordability Scheme funding, this evaluation will be repeated in the fourth and seventh year of operation within the ten year incentive program.

Where the property has allocated funding from the Social and Affordable Housing Fund, professional valuation will be conducted for those properties where the Department of Communities and Justice (DCJ) Rent & Sales Report does not provide sufficient data at three yearly intervals from the date of the initial valuation over the 25 year term.

Market rent will be reviewed annually using the most recent quarterly Rent and Sales Report published by DCJ Housing. Where the data in this publication is inadequate for the location, property, or property size, the market rent is set on the basis of the most comparable market rent.

Where it is known that the actual market rent in a location differs markedly and is lower than the market rent established on the basis of Rent and Sales Report data, and where tenants paying market rent would be adversely affected, community housing providers such as BaptistCare can vary the market rent to take local conditions into account. In varying market rents the responsible manager is to have appropriate documented evidence to support this decision. Varying market rent requires approval of the General Manager – Community Services and Housing.

Other Charges

Prior to signing their Lease, tenants will be advised of any other charges they are responsible for such as water charges or communal utilities.

Charges associated with the use of electricity, gas, telephone and internet are the responsibility of the tenant.

BaptistCare is responsible for communal utilities. BaptistCare reserves the right to include the cost of community utilities in the rent charged to tenants at a particular site. Where this is the case, BaptistCare will inform the tenant of the estimated ongoing charges prior to them signing their Lease.

Rental Bonds

Rental bonds of up to four weeks rent in advance may be required at the start of a tenancy. If bond is required, this should not place an unreasonable affordability burden on tenants and can be negotiated to be paid in instalments over 12 weeks. Once paid in full, bond will then be lodged with Rental Bonds online – NSW Fair Trading.

Rent Reviews

Rent reviews can be initiated by either BaptistCare or by the tenant.

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BaptistCare initiated review of rents

Social Housing

- Rents can be reviewed every six months for subsidised rent and annually for market rent.
- BaptistCare generally conducts annual rent reviews and provides tenant with 60 days' notice of new rent payable.
- Tenants will be advised of a pending rent review and given 14 days to provide proof of income.
- Rent changes between reviews due to change in household income.
- Rent increases will take effect after providing the tenant with 14 days' notice.
- Rent decreases will take effect from the date that the new income details were received.
- Tenants must advise BaptistCare of any change in income within 21 days.

Affordable Housing

- Rents will be reviewed each 12 months.
- A review of eligibility must also be conducted alongside the annual rent review.
- Tenants will be advised of pending rent review and provided 14 days to provide proof of income.
- Rent increases will take effect after providing tenant with 60 days' notice.
- Rent decrease will take effect after the next billing period.

Transitional Housing

The rent will be calculated in the same manner as the Social Housing rent in accordance with NSW Community Housing Rent Policy (outline above).

Tenant initiated review of rents

Social Housing

- The tenant can request a rental review where the household income changes.
- The tenant will be advised of outcome of rent review within 14 days of being supplied all supporting information.
- Rent increases will take effect after providing tenant with 14 days' notice.
- Rent decrease will take effect from the date that the new income details were received.

Affordable Housing

Not applicable

Transitional Housing

The rent will be calculated in the same manner as the Social Housing rent in accordance with NSW Community Housing Rent Policy (outline above).

Special Circumstances

Commonwealth Rental Assistance (CRA)

Where a tenant is eligible to receive CRA, but chooses not to apply for it, their rent will still be calculated on the assumption that they do receive CRA.

Tenant receives no statutory income or a reduced statutory income because they:

1. have chosen not to apply for an income to which they are entitled
2. are not eligible to receive a statutory income because:
 - a. they have gone overseas

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- b. they receive a Jobseeker Payment, have not sought work and have become ineligible for further payments for a specified period
 - c. 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
3. have breached Centrelink requirements or are repaying a Centrelink debt
4. are New Zealand citizens who are in Australia on a non-protected Special Category Visa.

In these situations BaptistCare will assume that a tenant or household member receives a statutory income and will base the rent calculation on the statutory payment to which that person would otherwise be entitled.

Casual or seasonal wages

If a tenant or household member's income changes because they do casual or seasonal work, then their average income for the past six months will be used.

Hardship

A tenant may apply for a reduction in rent for up to twelve weeks if they or another household member are:

- a sole occupant who is in Residential Aged Care;
- undertaking rehabilitation;
- in hospital for long term care;
- in respite care;
- in prison;
- in a refuge or alternative accommodation, due to escaping domestic violence or being at risk.

The minimum rent payable will be \$5 per week.

Payment of Rent

BaptistCare will provide all tenants with at least one no-cost option for paying rent and other charges. Tenants can arrange to pay rent using Centrepay deductions if applicable or Direct Debit.

Rent statements will be issued when requested by the tenant.

Arrears Management

BaptistCare expects that tenants will comply with their responsibilities to pay charges as per their Lease.

BaptistCare seeks to ensure that tenancies are successful and sustainable, and will adopt the following principles in managing tenancy arrears:

- a fair and consistent approach;
- an early intervention approach will be taken;
- financial management support options will be provided to the tenant;
- full compliance with the Residential Tenancies Act.

Tenants are encouraged to be proactive where they fall behind (or feel they may fall behind) in their payments. BaptistCare will provide options, including access to financial management support and repayment plans, to assist the tenant in repaying their arrears.

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At one week arrears tenants will be sent a SMS reminder to pay rent. At 14 days, the Housing Manager will issue a letter to the tenant stating they owe 14 days rent and if there is not an agreed repayment plan established, and consequently complied with, then BaptistCare will issue a termination notice.

BaptistCare may also initiate action with the NSW Civil and Administrative Tribunal (NCAT) and seek either:

- NCAT enforceable repayment plan, or
- Termination of tenancy.

Rent Arrears	Action Taken	Expected response from Tenant
1 week overdue	<ul style="list-style-type: none"> ▪ Reminder Letter sent; or ▪ Text sent with missed payment 	<ul style="list-style-type: none"> ▪ Tenant response within 7 days, and <ul style="list-style-type: none"> - pays rent arrears in full, or - agrees to and signs a Rental Arrears Agreement, then - no further action taken.
2 weeks overdue	<ul style="list-style-type: none"> ▪ Second reminder letter sent ▪ Phone call/visit to tenant 	<ul style="list-style-type: none"> ▪ Tenant rectifies the situation ▪ Tenant either: <ul style="list-style-type: none"> - pays rent arrears in full, or - agrees to and signs a Rental Arrears Agreement, then - no further action taken, otherwise; - face to face meeting with tenant; ▪ Advise tenant of their arrears situation ▪ Seek understanding of reasons for rent arrears ▪ Identify if any referrals are appropriate ▪ Agree to and sign a Rental Arrears Agreement ▪ Advise tenant of consequences or action to result from remaining in arrears, including legal processes
If tenant does not rectify	<ul style="list-style-type: none"> ▪ Face to face meeting 	<ul style="list-style-type: none"> ▪ Tribunal action may be required ▪ Advise tenant of consequences or action to result from remaining in arrears, including legal processes

Rental Fraud

If BaptistCare becomes aware that a person has committed rental fraud their rental subsidy may be cancelled and the tenant will be required to pay the maximum rent for the property. If the fraud is proven to be deliberate or ongoing, BaptistCare will consider the option of seeking to end the tenancy at the NCAT.

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Rental fraud is considered to have occurred when:

- a tenant fails to provide full income details for all persons residing in their property;
- a tenant deliberately provides false income details for themselves or members of their household;
- tenants fail to notify BaptistCare of changes to their household income within 28 days of changes occurring;
- tenants do not disclose full and accurate details of all their assets.

Any suspicion of rental fraud will be investigated and fully documented. The Housing Manager will discuss their suspicions with the Group Manager – and a process for investigation will be established. The investigation of the suspected rental fraud will include contacting other parties, such as real estate agents, DCJ Housing.

Right of Appeal

If a tenant is not satisfied with a service provided by BaptistCare or does not agree with a decision it has made, they can ask for a formal review.

If a tenant is unhappy with the outcome of an appeal to BaptistCare, they can lodge a second level appeal with the Housing Appeals Committee. The Housing Appeals Committee is an independent agency that reviews certain decisions made by staff of Community Housing Organisations and Housing NSW. For information on the Housing Appeals Committee call 1800 629 794 or go to <http://www.hac.nsw.gov.au>.

Legislation

Housing Act 2001

Residential Tenancies Act 2010

Related Policies & Procedures

Feedback

References

[NSW Affordable Housing Ministerial Guidelines](#)

[NSW Community Housing Rent Policy | Family & Community Services](#)

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