

All Indigo Junction Policies are to be read in conjunction with Indigo Junction's overarching policy commitment statement, the Specialist Homelessness Services (SHS) service standards, the Australian Charities and Not for Profits Commission Governance Standards and the Associations Incorporation Act 2015

### PURPOSE

To ensure a consistent and compliant approach to rent setting.

### STATEMENT

Indigo Junction is a registered community housing provider. As such, the organisation head leases properties through the Housing Authority under the Crisis Accommodation Program (CAP) or through Local Lease arrangements with the Midland Housing Authority office.

Indigo Junction sets rent for its community housing in compliance with the Community Housing Rent Setting Policy 2016 available at

<http://www.housing.wa.gov.au/investorsandpartners/communityhousingorganisations/Pages/default.aspx>

### 1.0 PRACTICE

Indigo Junction will:

- Appoint the Property and Tenancy Coordinator or a member of senior management as the responsible persons for the assessment and setting of all rent calculations.
- Comply with all community housing rent setting requirements as per the Residential Tenancies Act 1987 (RTA).
- Inform all tenants of rent requirements upon intake and through the Tenant's Handbook.
- Use the Community Housing Rent Setting Calculator to calculate rent. Ensure rent does not exceed 75% of the property market rent as determined by the Australian Tax Office.
- Assess all household income for all tenants of the property aged 16 years and over.
- Ensure tenants rent is affordable and they do not pay an amount that is higher than 25%, for families, and 30%, for youth, of their total assessable income plus 100% of Commonwealth Rent Assistance.
- Support clients to access their Commonwealth Rent Assistance entitlements through Centrelink.
- Conduct 6 monthly rent reviews and only make changes to rent increased payments when one tenancy agreement has expired and a new one is being entered into and communicate this to the tenant in writing.
- Conduct additional rent reviews, when a new lease is due to be signed, when it is known that a tenant has had a change in income.

## Rent Setting Policy

- 0 Deem tenants who are eligible for a Centrelink payment but choose not to apply, as receiving the relevant Centrelink payment, and calculate rent based on this.
- Assess rent every time a new lease agreement is signed and make any required rent adjustments applicable for the next rent payment, ensuring the tenant is informed of the change.
- Ensure any changes to the way in which Indigo Junction calculates rent is in accordance with the appropriate notice periods and processes outlined in the RTA.
- Provide new tenants with 2 weeks rent free.
- Wherever possible, receive rent via Centrepay.
- Monitor tenants Centrepay, track any alterations to the payment schedule (missed payments, cancelled payments, part payments) and address any rental arrears as soon as possible.
- Track rent payments on the Chintaro database.
- Check the rent statements for each property fortnightly to ensure that Centrepay payments are being credited as required.
- Provide tenants with a copy of their rental statement at the completion of each tenancy and when requested.
- Provide a rent setting procedure outlining utility charges.
- Ensure that any breach process enacted is approved and overseen by Senior Management only and follows the Residential Tenancies Act precisely.
- Act compassionately in cases of extreme financial hardship.
- Calculate any rent owing when a tenant exits the service and issue a rent refund when applicable.
- Take only necessary steps to recover monies owed by tenants or former tenants.
- Where the debt is the subject of a dispute which is being pursued through court action or Indigo Junction Appeal mechanism, no action will be taken until the process has been completed.
- Only refer debt to a debt collection agency in cases where the amount of debt justifies the expense of the referral and when authorised by the CEO.
- Not pursue to recover debts older than 2 years.
- Maintain records on the Chintaro and SHIP databases in line with the 'Records Management' policy (MA5003) and the 'Privacy and Confidentiality' policy (GOOOOI).
- Charge Board and Lodgings and not rent for clients in the Youth Crisis Accommodation

**Associated Indigo Junction policies to this policy:**


- Housing Policy and Procedure Manual (HP4000)
- Financial Management (G00004)
- Service Delivery (SD3000)

**Associated Indigo Junction procedures to this policy:** Rent Setting (HP4013)

**Policy Context: this policy relates to**

Applicable Standards or other external obligations	NRSCH 1b - Tenant and Housing Services Community Housing Industry Association CHIA
Applicable legislation	Australian Tax Office - Market Rent Figures Centrelink Online - Payment Rates Department of Commerce - Consumer Protection Residential Tenancy Agreement
Applicable contractual obligations	Community Housing Rent Setting Policy

**Policy Contact Person:** CEO

Approval Signature	
Date of Approval	<b>December 2019</b>

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<b>Version: 3</b>	<b>Responsible person: CEO</b>