



Rent Management Policy

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1. Purpose

- To ensure that ESRHC's calculation and collection of member/tenant rental payments comply with the Residential Tenancies Act and any applicable Department of Health and Human Services (DHHS) requirements.
- To ensure that ESRHC maintains its financial viability, noting that the Co-operative is entirely dependent on rent from members/tenant for its income.
- To provide a balance between members' responsibilities to the Co-operative and the Co-operative being supportive of its members in difficult financial circumstances.

2. Basis for Policy

DDHS Rent Setting and Rebate Operational Guidelines
General Lease

3. Rent Management Policy

Please note - the following policy applies only to members of the Co-operative. If for any reason a tenant is no longer a member of the Co-operative but continues to occupy a Co-operative managed property then the applicable rent charged will be the market rent for that property as determined by the DHHS from time to time, subject only to compliance with the Residential Tenancies Act.

3.1 Rent calculation method & maximum rents

Rental will be calculated in accordance with the DHHS Rent Setting and Rebate Operational Guidelines and the General Lease, as determined from time to time.

The Rent Setting and Rebate Operational Guidelines are used to determine assessable and non-assessable income and the Guidelines for Managing DHHS Properties under a General Lease sets out the Maximum Rent Formula.

The maximum rent chargeable for a property is the applicable Market Rent for the property as determined by the DHHS from time to time.

For members/tenants paying less than Market Rent, the maximum rent chargeable will be determined by the formula in the above General Lease guidelines with DHHS from time to time. This will include the maximum Commonwealth Rent Assistance (CRA) if they are eligible to receive CRA.

ESRHC will seek to maximise its rental income however from time to time due to hardship considerations, ESRHC may decide to charge rent at an amount that is less than the maximum specified in the General Lease guidelines or to introduce an increase at a date later than recommended under the DHHS notifications.

3.2 Member provision of household income information

To be eligible for rebated rental, a member must provide, on a timely basis, independent documentary evidence of all household income received.

Members will be required by their tenancy (and member) agreement to provide these details to the Co-operative any time there is a change in their household income within two (2) weeks of that change.

The Co-operative will also undertake household income reviews at least twice per year, normally at the time the Centrelink payments are automatically increased by the CPI rate.

For all Co-operative household income reviews, members will have a period of at least 4 weeks in which to provide the appropriate documentary evidence of household income to the Co-operative office.

When providing household income details at any time, members must also provide the signed Statutory Declaration in the form provided by the DHHS from time to time including listing all members of the household and their dates of birth.

3.3 Failure by member to provide household income information

Members who fall into arrears due to late notification of household income changes will be dealt with under the Arrears Policy.

Members who do not provide their full household income and Statutory Declaration documentation to the Co-operative within the Income Review deadline provided, will automatically be charged market rent as from that deadline until such time as the information is provided.

The new rent based on the income information provided will be charged from the Sunday after the date the information was received.

3.4 Exemptions

Members who agree to pay the applicable market rent for their property as determined by the DHHS from time to time will be exempt from the above requirements except that on an annual basis they will be required to provide (in the Statutory Declaration form provided by the DHHS) the details of all persons living at the property, their dates of birth and their relationship to the tenant-member.

Members who are approved to have their rent calculated based on the annual estimate of household income method will be exempt from the normal Income Reviews.

3.5 Annual estimation method of rent payable

Members may be approved to provide an annual estimate of household income where a significant part of the household income is highly variable. An example of this is when a household member is self-employed.

These members must provide to the office, by the end of August each year, appropriate documentary evidence (Australian Tax Office Notice of Income Assessment plus where applicable Centrelink Annual Income Statement) of the previous financial year's actual household income plus the Statutory Declaration form as above including details of all persons living at the property and their dates of birth.

A member's ability to use the annual estimation method will be decided by the Manager.

3.6 Method for payment of rent

Rent may be paid weekly, fortnightly or monthly **by arrangement**.

The normal method of payment is through deposit into ESRHC's nominated bank account. If rent is paid in cash, the cash receipt needs to be witnessed by two (2) directors or a director and a staff member. An official receipt shall be issued and the monies banked within 24 hours.

3.7 Due dates of rent payments

The Co-operative requires that rent be paid so that the member's rent balance remains in advance at all times regardless of how rent is paid (refer above section). On the date the rent is paid the rent balance should be at least fourteen (14) days in advance.

3.8 Information on rent accounts

A member may request and be provided with a copy of their rent statement at any time.

4. Authorities / Responsibilities

Under the Rent Policy, the Manager is responsible for compliance with all of the above policy requirements.

The Manager will report to the Board regarding which members have been charged market rent due to the late notification of household income details as provided above.

It is the Manager's responsibility to ensure that all information regarding members' income be kept confidential and is stored in the appropriate lockable cabinet.

5. Related Documents / Background

Rent Arrears Policy

Co-operative National Law Application Act requirements for the expulsion of a member

Residential Tenancies Act

General Lease

DHHS Rent Setting and Rebate Operational Guidelines