

Lodging and Shared Housing: Rent and Bond Policy

Purpose

This policy explains:

- how we set the rent;
- how we review the rent; and
- what bond we charge and why.

It also covers the responsibilities our residents have and gives details of the support we offer.

Definitions

Applicant means a person applying for accommodation in one of our lodging or shared housing rooms.

Resident means a resident living in one of our lodging or shared housing rooms.

Market rent is the amount the room would cost in the open market.

Maximum rent is 74.9% of the market rent and is generally the most rent we charge for a room. Utilities are added onto the rent to make up the total cost of a room.

Rent means the rent we charge a resident.

Utilities charge means any charge for using gas, water, or electricity.

Commonwealth Rent Assistance (CRA) is a non-taxable supplement payment Centrelink pays to those who are eligible to help them pay their rent.

Bond is a payment an applicant makes in advance to cover any costs for which they, as a resident, may be responsible for at the end of the residency.

Policy

Our commitment

We will apply this policy in an open, honest, and supportive way.

We will:

- help Applicants and Residents get income details from Centrelink;
- act quickly on rent reviews if a Resident's income has reduced; and
- tell Applicants and Residents how to claim CRA.

How we set the rent

We work out the rent for a room based on a Resident's income, the type of room, and any entitlement to CRA. We charge rent based on a percentage of the Resident's net income (income after tax has been paid), plus any entitlement the Resident may have to CRA. The percentage of income we use depends on the type of room the Resident lives in.

We will not generally charge more than 74.9% of the market rent, plus the cost of utilities.

When working out the rent, we take into account income from sources including the following.

Aged Pensions, Disability Pensions, Carer Payments, Widow Pensions, Newstart Allowances, Parenting Payments, Youth Allowances, Abstudy, Austudy, Family Tax A and B, maintenance payments, earned income, business income, income from investments, and foreign pensions.

Veterans' Affairs Pensioners will need a full statement of income and assets.

Utility charges

As well as rent, we charge for utilities Residents use at the property. Because there are no separate meters in the properties, we work out these costs based on the total cost of utilities used for the property divided by the number of rooms in the property divided by 365. This gives a daily charge for each room.

Review of rent and utility charges

We review all the rents for our lodges and shared houses at the same time each year (currently September). We have the right to increase the rent more often but will ensure rent increases will not be less than six months apart. We will give Residents 28 days' notice of any change in their rent.

We review market rents in July each year and set the maximum rent for the room for the forthcoming financial year based on that review.

We will review the utilities charge every 12 months and give Residents 14 days' notice of any change. We set the charge each year based on the cost of utilities at the property over the preceding 12 months.

Residents' responsibilities

When we ask, Residents must provide us with all details of their income, so that we can review their rent.

Under our licence to occupy, Residents have a legal responsibility to:

- pay the rent due every fortnight, for the fortnight ahead; and
- pay other charges, such as charges for utilities or any damage they have caused, when they receive an invoice for them.

Bonds

The bond for our lodging and shared housing rooms is \$100. Applicants / Residents must pay the bond at the room sign-up meeting.

We also charge a \$50 key bond (which Applicants or Residents must also pay at the sign-up meeting), which will be returned when a Resident returns the full set of keys or swipe cards (or both) for the room to us.

Right of appeal

If an Applicant or Resident does not agree with any of our decisions or actions, they can appeal under our Appeals Policy.

Related documents

LS_RentSetting_2_PRO

LS_Arrears_1_POL

Information sheet –How we review your rent

Process of Policy Development / Review

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