

Community Housing Rent Policy

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1. Scope

This document outlines the Community Housing Rent Policy (CHRP), to be implemented by registered housing providers, funded by the Queensland Government through the Department of Housing and Public Works, to deliver social housing (providers).

1.1. Meaning of rent

In the context of the CHRP, rent has the following meaning:

Rent is paid where a household is covered under the *Residential Tenancies and Rooming Accommodation Act 2008* (RT&RAA).

1.2. Application

The CHRP applies to:

- providers registered under the *Housing Act 2003* where the assistance agreement, including program specifications, requires them to comply with the CHRP as published by the department from time to time
- other providers, including unregistered providers, where the assistance agreement, including program specifications, requires them to apply the CHRP, as published by the department from time to time.

Providers who are not required to comply with the CHRP can choose to apply it, provided that application of the CHRP does not contravene any terms of their assistance agreement.

Providers funded under, but not limited to, the following social housing programs are required to comply with the CHRP:

- Affordable Housing Program (AHP)
- Community-managed Housing – Studio Units (CMSU)
- Community Rent Scheme (CRS)
- Crisis Accommodation Program (CAP)
- Long Term Community Housing Program (LTCHP)
- Same House Different Landlord (SHDL)
- Supportive Housing Program.

[Section 8.1 Affordable housing](#) of the CHRP provides specific detail in relation to the rent assessment for affordable housing providers and providers funded under the Crisis Accommodation Program and Supportive Housing Program.

The CHRP is not intended to cover Indigenous Councils funded under the Commonwealth Housing Improvement Program to deliver housing assistance on discrete Indigenous communities (Deed of Grant in Trust).

Providers that are unsure about the applicability of the CHRP to their assistance agreement should contact the Department of Housing and Public Works.

Brisbane Region – 3007 4377	HHS BR ORD HHSBRORD@hpw.qld.gov.au
South/West Region – 3437 6044	HHS SWR ORD HHSSWRORD@hpw.qld.gov.au
Central Queensland/North Coast Region – 4848 7060	HHS CQNCR ORD HHS-SD-CQNCR-ORD@hpw.qld.gov.au
North Queensland Region – 4724 8578	HHS NQR ORD HHS-NQR-ORD@hpw.qld.gov.au
Far North Queensland Region – 4036 5404	HHS FNQR ORD HHSFNQRORD@hpw.qld.gov.au

The CHRP ensures that rents set for tenants on low to moderate incomes in properties managed by providers are affordable. The rent a household pays is determined by a tenants' capacity to pay which is defined as a set percentage of the household's income, plus the Commonwealth Rent Assistance to which the household is entitled, with maximum rent being the market rent for the property.

The difference between the rent a household pays based on its income and the market rent is a rent subsidy. This policy ensures that rents are affordable and that rent subsidies go to those who most need them.

To ensure equivalent rents are charged to all social housing tenants, the CHRP aims to be consistent with the rent policy for public housing. The key difference is the availability of Commonwealth Rent Assistance.

The CHRP describes how providers assess, calculate and review the rent payable, when a tenancy begins and when a household's circumstances change including income and household members joining or vacating the property.

2. Principles

Application of the CHRP should be guided by the following principles:

- the CHRP aims to be as fair, simple, efficient, consistent and incentive-based as possible and to reduce the financial disincentives for tenants to earn additional income
- rent paid in funded social housing remains affordable
- methods used to assess rents in social housing are applied fairly across all income types, with appropriate consideration given to the purposes and objectives of the funded programs
- methods used to assess rents are transparent, promoted and clearly explained to tenants to ensure they are aware of how those methods operate.

3. Legislative and funding requirements

Under assistance agreements, providers are required to comply with the CHRP as published by the department from time to time.

Under Section 17 of the *Housing Regulation 2015*, a provider must also keep a rent policy, complying with the assistance agreement, which includes appropriate provision for:

- explaining rent calculations to tenants
- dealing with tenant queries or concerns about matters relating to rent
- giving tenants a choice of rent payment methods
- preventing serious rent arrears.

Further, providers are required to apply their rent policy consistently and fairly, and keep a record of rent assessments undertaken for a household, for the duration of the tenancy agreement and for at least six months after the tenancy agreement has ended.

A provider's rent policy must state criteria and procedures relating to rent under tenancy agreements including:

- setting the amount of rent
- calculating rent payments
- collecting rent
- managing rent arrears.

In addition, the provider's rent policy should cover all other matters relating to rent assessment that are not detailed in the CHRP.

4. Income rules for rent assessment

4.1. Pension reform increases – 2009

Pension Reform increases introduced by the Commonwealth Government in 2009 are not included when assessing rent for single pensioners.

Pension Reform increases are to be excluded from the assessable income amounts used to assess rents, for the following pensions:

- Age Pension
- Age Pension – Blind
- Bereavement Allowance
- Carer Pension
- Disability Support Pension for recipients aged 21 and over
- Disability Support Pension – Blind
- War Widow/ers Payment
- Widow B Pension
- Wife Pension Age and Disability
- Service Pension

A PDF detailing the Pension Reform amounts will download with each [Community Housing Rent Calculator](#) quarterly update to assist providers when assessing rent.

4.2. Assessable and non-assessable income

4.2.1 Assessable income

All general income is considered assessable when determining rent payable by tenants.

Assessable income includes pensions, benefits and allowances, wages and work allowances, and other income sources.

All income types, excluding those covered by [Section 5.2.2 Non-assessable income](#), are considered assessable income when determining rent payable.

A list of assessable incomes to be included when undertaking rent assessments are detailed in the [Community Housing Rent Policy: Assessable and non-assessable incomes](#) available on the department's website.

4.2.2 Non-assessable income

Specific purpose payments are generally considered non-assessable for the purpose of rent assessments.

A list of non-assessable incomes to be excluded when undertaking rent assessments are detailed in the [Community Housing Rent Policy: Assessable and non-assessable incomes](#) available on the department's website.

5. Rent assessment

5.1. Assessment rates

A tenant in a property managed by a registered housing provider will have their rent assessed at 25 percent of the household's assessable income, plus the Commonwealth Rent Assistance to which all eligible household members are entitled.

Commonwealth Rent Assistance is not considered income and therefore is not assessed at 25 percent. Instead, providers add the total Commonwealth Rent Assistance to which all household members are entitled, to the rent assessment.

If a household is deemed eligible for Commonwealth Rent Assistance, the total amount of Commonwealth Rent Assistance to which they are entitled is added to their rent, regardless of whether they receive the payment or not.

5.1.1 Community-managed Housing – Studio Units

A tenant in a furnished property managed under the Community-managed Housing – Studio Unit (CMSU) program, may have up to a 3 percent fully furnished property charge included in their rent assessment. The 3 percent property charge is applicable to cover the costs to the provider of supplying a fully furnished property, including replacement costs for fair wear and tear.

Inclusion of the full 3 percent fully furnished property charge will take the rent assessment to a total of 28 percent of the households' assessable income, plus the Commonwealth Rent Assistance to which an eligible household is entitled.

5.2. Household members

Household members include all persons living in the accommodation, regardless of their age or relationship to the tenant/s. The income of all household members is taken into consideration when determining the rent payable by a household.

The person or persons named on the tenancy agreement, their spouse/s, and all household members aged 25 years and over, have their incomes assessed at the full rate, with no concessions.

5.2.1 *Young household members*

Young household member/s, are household members other than the person or persons named on the tenancy agreement (and their spouse/s), who are aged under 25 years. A young household member may or may not be related to the person or persons named on the tenancy agreement. Young household members could be a child, niece, sibling, foster child, boarder or friend.

Young household members aged under 25 years, have 10 percent of their assessable income added to the total rent payable.

Casual earnings of household members aged under 18 years who are attending full time studies at any educational facility (e.g. school, traineeship, TAFE or university) are non-assessable income.

5.2.2 *Part-time household members*

Part-time household members may reside in the dwelling for three days or less in any one week, before their income is included for rent assessment. If a household member resides in the property for four or more days per week, they should be considered permanent household members and have their income included in the rent assessment.

5.2.3 *Carers*

Carers who reside in the property as their principal place of residence have their income included for rent assessment.

Carers who do not reside in the property as their principal place of residence will not have their income included for rent assessment. Carers must provide evidence to providers to demonstrate that they are required as a carer by the tenant or household member, and have another primary place of residence.

5.2.4 *Absent household members*

A household member's income is fully assessable during periods where members are absent from the premises, including instances where a household member is periodically absent due to holidays or work commitments. The rent should remain the same if the tenant arranges a caretaker to visit periodically during the absence.

[Section 6.9 Minimum rent or reduced rent](#), details the circumstances where a provider can approve a tenant be charged a minimum or reduced rent, where a household member is temporarily absent. Temporary absences should not be approved for periods over 12 months.

5.2.5 *New household members*

New household members include visitors, de facto, spouse or any other person newly residing in the property. Tenants are responsible for advising providers of a new household member.

For the following new household members, the providers can choose to grant a grace period for the rent increase, until the date of the next rent review:

- a child under 16 (including a baby) which subsequently increases the income received by a household member
- a child being returned to the custody of any household member.

For all other new household members, a four-week grace period applies, before the new household member's income is included in rent assessment. This grace period does not apply if the household member is returning to the household.

In circumstances where a new member joins the household, rent can be increased between annual rent reviews. In applying rent increases, providers must ensure they comply with the requirements of the RT&RAA.

5.2.6 *Removing household members*

If a household member leaves, the provider should re-assess the household's rent. When undertaking the rent re-assessment, providers should check if any household member's incomes have changed as a result of a household member leaving.

5.3. Households with irregular income

If a household member earns income which varies regularly (an irregular income), rent should be assessed by averaging the household members income over the four weeks prior to the rent assessment. This amount should then be added to all other assessable household income.

As per [Section 5.2.1 Assessable income](#), Regular and ongoing overtime, assessable work allowance, and bonuses are to be included in rent assessment.

A household's rent should be reassessed, if a household member's average income reduces by 25 percent or more than the previous average. The tenant will be required to provide evidence of the reduction in income. This reduction only applied to commission, overtime, work allowances and bonuses.

5.4. Imputing income

Rent assessments are based on a formula that considers the income of all household members, and as such all household members who reside in a social housing property are required to contribute to the rent paid.

Household members who receive **no income, a very low income or who cannot have their income identified or verified**, will be **imputed an income** based on a benchmark payment, regardless of whether the household member is in receipt of any income or income support payment/s. This is referred to as 'imputed income'.

Imputing an income means that a client's choices and/or Centrelink imposed payability conditions, do not directly or indirectly result in the client receiving a greater rental subsidy which in effect means the transfer of income support responsibility to the State Government.

Income support is the responsibility of the Commonwealth and this policy aims to prevent 'cost shifting' from the Commonwealth Government to social housing funded by the State Government. If this policy was not in place the providers would be required to provide a higher housing subsidy to people who do not receive the appropriate level of income support from the Commonwealth Government. This in effect would reduce the number of people who can be assisted by the One Social Housing System in Queensland.

5.4.1 Benchmark for an imputed income

Tenants or household members, who have an income imputed as part of the rent assessment process, will have their rent assessed as though they are in receipt of a Newstart Allowance at the single no children basic rate.

An income could be imputed for tenants or household members who are not in receipt of a Newstart Allowance and are not eligible for or entitled to a Newstart Allowance or any other income support payment. Newstart Allowance is purely a benchmark payment on which a rent will be assessed.

5.5. Household members with no income or low income

Tenants or household members who have no income or a low income will have their income imputed in accordance with [Section 6.4 Imputing income](#).

5.5.1 A client with no income

For rent assessment purposes, a tenant or household member with no income will be imputed an income. A client may have no income for the following reasons (this list is not exhaustive):

- has not applied for an income support payment
- is serving Centrelink imposed waiting period
- has failed an activity test under the Centrelink Welfare to Work requirements
- entered a relationship, and their spouse's income and or assets make them ineligible
- does not meet the payability requirements
- ineligible for Centrelink payments for reasons other than income
- eligible for Centrelink payment but elects not to receive it
- voluntarily ceased work and ineligible for Centrelink payments.

A tenant or household member who receives Family Tax Benefit Part A and no other income should have an income imputed. For this household, rent will be based on all assessable household income including Family Tax Benefit Part A, plus the imputed income.

5.5.2 A client has a very low income

A tenant or household member who has an income that is below the imputed income benchmark payment and is not receiving a partial or additional payment from Centrelink or the Department of Veterans' Affairs either by choice or because they do not satisfy all of the qualification or payability requirements, will have their rent assessed as though they are in receipt of the imputed income benchmark.

5.5.3 A client's income cannot be identified or verified

If a tenant or household member's income cannot be identified or verified, for example (but not limited to) people who are visiting from overseas for a period beyond the grace period and prisoners who will reside in social housing upon release, will be imputed an income.

5.5.4 Cessation of employment – short term

If a tenant or household member is forced to stop work due to circumstances beyond their control (e.g. the workshop closes down over Christmas break and the tenant or household member is not paid during this time) the provider can choose to impute an income for the

household member, for the duration of time that the household member is forced to stop work. The application of this section should be detailed in the provider's rent policy.

The tenant or household member must supply evidence to the provider that includes the dates that there will be no work and that the tenant or household member will not be paid during this time.

As soon as the tenant or household member returns to work, the rent will revert back to the original amount.

5.5.5 Absent household member

If a tenant or household member is absent from the household and:

- the provider has approved a rent reduction under [Section 6.9 Minimum rent or reduced rent](#), the provider can reduce the departing household member's income to \$0.00 during the period of absence
- Rent should be assessed on the income of the remaining household members. If the remaining household members have no income, they should be imputed an income.
- the provider has not approved a rent reduction under [Section 6.9 Minimum rent or reduced rent](#), an income should not be imputed, and the household's rent should not change.

5.5.6 Voluntarily withdraws labour

If a tenant or household member 'voluntarily withdraws labour' (e.g. goes on strike or takes leave without pay), the rent will not change, even if the household members income is \$0.00. However, if Centrelink commence a new payment to his/her spouse during the strike or absence, rent is to be re-assessed on the basis of that income for the duration of the strike or absence only. At the end of the strike or absence:

- if the tenant or household member does not return to work but applies for a Centrelink payment and Centrelink imposes a waiting period, they should be imputed an income
- if the tenant or household member returns to work, rent is to revert back to the original amount immediately
- if the tenant or household member does not return to work but is offered a redundancy package, the package should be assessed in accordance with [Section 5.2 Assessable and non-assessable income](#).

5.5.7 Ceased work for maternity and/or parental leave

A tenant or household member may cease work due to taking maternity and/or parental leave.

If the maternity/parental leave is paid leave, rent is assessed on the leave payment. If paid in a lump sum, divide the lump sum by the number of weeks of leave that the lump sum covers. Once the leave period has expired, the household member will be imputed an income.

If the maternity/parental leave is unpaid leave, the household member will be imputed an income, unless the tenant or household member receives paid parental leave from Centrelink.

5.5.8 No Show No Pay Failures from Centrelink

No Show No Pay Failures are the compliance arrangements Centrelink applies to job seekers. No Show No Pay failures result in a household member's income being reduced by Centrelink.

If a household member is affected by a No Show No Pay Failure from Centrelink, rent is still assessed on the full rate of the Centrelink payment to which they are entitled.

5.5.9 *Voluntarily ceased work and ineligible for Centrelink payments*

If a tenant or other household member voluntarily ceases employment and is restricted from claiming a Centrelink payment for an imposed period of time, they will be imputed an income.

The date from which the household members income will be imputed, is the date at which the household members termination pay is used up. For example, if the household member was paid four weeks leave upon termination, then the household member's income will not be imputed until four weeks after termination.

5.6. Work incentives

5.6.1 *Tax allowance scale*

To increase work incentives, the rent component of income earned from work is assessed on 'after tax' income. The gross taxable income of all household members including young household members is reduced by the tax allowance scale, prior to rent being assessed.

The tax allowance scale is not applied to pensions, benefits, allowances and superannuation. The tax allowance scale applied to gross assessable income does not include the Medicare Levy (1.5 percent), leave loading or tax rebates or offsets. Any superannuation paid by tenants and household members as a component of their income is also not deducted as part of the tax allowance scale.

The tax allowance scale is detailed in the [Community Housing Rent Calculator: Tax Allowance Scale](#) available on the department's website.

The [Community Housing Rent Calculator](#) has been developed to assess rent in accordance with the tax allowance scale.

The Tax Allowance Scale will be updated in line with any changes made by the Federal Government.

5.6.2 *Guaranteed rent periods*

To encourage household members receiving a Centrelink or Department of Veterans' Affairs income support payment to enter the workforce, they are able to receive a guaranteed rent period of six months following commencement of work. A guaranteed rent period is a period of six months where the household's rent remains at the level it was on the day before the household member entered the workforce for a guaranteed minimum of six months.

Providers must apply the guaranteed rent period to all households that advise the provider that a household member is entering the workforce.

Guaranteed rent periods do not apply if the household member:

- is not starting new employment but has an increase in hours
- is self employed
- is returning to work after being on a WorkCover payment
- has started a second job.

5.7. Sweat equity

The CHRP does not provide discounts to tenants in recognition of sweat equity. Sweat equity refers to a contribution through work or effort, as opposed to a financial contribution.

5.8. Maximum rent

Tenants should be charged an affordable rent, with the maximum rent charged being the market rent for the dwelling.

5.8.1 *Market rent*

For community housing properties, the market rent is determined by the provider.

In determining market rents, providers should consider the private market rent for similar properties of the same standard in the area and any relevant data published on median rents. Providers should review market rents on an annual basis prior to undertaking rent reviews. Providers may seek independent valuations of properties but must have consideration for the private market rent for similar properties of the same standard in the area and any relevant data published on median rents, when setting market rent.

Tenants have the right to appeal market rent assessments and providers must keep a copy of the methods used to derive a market rent for one year after the end of the rooming accommodation agreement or tenancy agreement.

5.8.2 *Housing with Shared Support*

Tenant's in shared housing arrangements under Housing with Shared Support initiatives are assessed separately for rent. However, where all tenants are residing in a single property with shared amenities, such as bathroom, living areas or kitchens, the combined rent of all tenants must not exceed the property's market rent. This means that each tenant's rent must not exceed an equal share of the market rent.

Where each tenant in the Housing with Shared Support arrangement has an individual unit within a complex, even if some amenities are shared, the maximum rent for the property is based on the market rent determined for the individual unit, and not the complex as a whole.

5.9. Minimum rent or reduced rent

Tenants must pay the full amount of rent payable as calculated by their rent assessment. Providers can approve a household be charged minimum rent in some circumstances. Specific details in relation to circumstances when minimum rent and reduced rent can be charged are detailed below.

A provider's rent policy should detail

- if a minimum or reduced rent can be approved
- the delegate for approving a minimum or reduced rent
- the circumstances in which a minimum or reduced rent will be applied.

Minimum rent and reduced rent should not be used to assess rent for tenants who cannot verify their income, or have no or low income.

5.9.1 *Minimum rent*

The minimum rent providers charge should be based on 10 percent of the at-home (dependent) rate of Youth Allowance paid by Centrelink.

Providers can approve minimum rent be charged to a household:

- to assist a household where a household member is temporarily absent due to imprisonment or for health reasons
- to assist a household in severe economic difficulty

- when the calculated rent is lower than the minimum rent.

Where a minimum rent is being applied the minimum rent should not be approved for a period of more than 12 months.

5.9.2 Reduced rent

Providers can approve a reduced rent be charged to tenants to assist the household when a household member is temporarily absent due to imprisonment or temporarily absent for health reasons and extra accommodation costs are being incurred.

The reduced rent amount should be calculated on a case-by-case basis based on the temporary removal of the absent household member.

Where a reduced rent is being applied, the reduced rent should not be approved for a period of more than 12 months.

5.10. Rent reviews

Providers should review rents for all households at least annually, or when they become aware of a change in household circumstances.

Tenants are responsible for advising providers of a change in circumstances and should be advised of this responsibility at sign-up. Tenants may request a re-assessment of rent at any time because of a decrease in income or a change in household circumstances.

A tenant can seek a rent decrease be backdated if they can prove that they advised the provider of the change in circumstances, and the provider did not re-assess their rent.

Providers must give tenants written advice regarding the outcome of their rent review including the new rent to be charged.

If a tenant or household member fails to provide the evidence required to enable a rent assessment of rent review, in the time specified by the provider, the provider can remove their rent subsidy. Removing rent subsidy means that the household is charged 100 percent of market rent for the property. The rent subsidy should be re-applied from the day that all required evidence for the rent review is supplied to the provider.

Providers must comply with the RT&RAA and tenancy agreements when increasing or decreasing a household's rent, including when a rental subsidy is removed

5.10.1 Rent increases and decreases between rent reviews

Tenants should have their rent reduced immediately on reporting and providing evidence of a decrease in income to the provider. Unless specified in the CHRP, increases in income will become apparent at the time of rent reviews and affect the rent charged from the time of that rent review.

Providers must comply with the RT&RAA and tenancy agreements when increasing or decreasing a household's rent.

5.10.2 Rent increases more than \$7.50 per week

Where, as a result of the changes to the Community Housing Rent Policy implemented in 2013, a tenant's rent is increased by more than \$7.50 per week, a provider cannot pass on a rent increase which is more than \$7.50 per week. The rent increase attributed to the policy changes must be introduced gradually, with no more than \$7.50 per week being passed on in any one year.

This does not apply to rent increases that are the result of household or income changes, such as a new household member joining the household, a household member gaining employment or receiving a new income, or a household member increasing their working hours.

5.11. Evidence of income

For rent assessment purposes tenants must make available to the provider, evidence of all sources of income. Evidence of income should usually be no more than 28 days old.

A provider's rent policy must detail what evidence of income will be accepted from the tenant. Providers should not accept evidence of income if the client has made any alterations to the documents such as blackening out information, withholding pages, or where it is suspected or known that the evidence provided has been tampered with or altered in any way.

Where possible, providers should use evidence of income that is prepared or validated by an external third party. For example, Centrelink statements, pay slips prepared by an employer, or a Notice of Assessment prepared by the Australian Taxation Office.

5.11.1 *Non-disclosure of income or household members*

If a provider receives evidence that a tenant has not declared income or new household members at a rent review, the provider must reassess the tenant's rent as detailed below.

In cases where the tenant has not declared additional income, e.g. that a household member commenced employment, the additional rent payable should be reassessed and applied in accordance with [Section 6.6.2 Guaranteed rent periods](#) and from the nearest annual rent review date after the undeclared income commenced.

In cases where the tenant has not declared an additional household occupant, the additional rent payable should be reassessed and applied following the date that any applicable grace period under [Section 6.2.5 New household members](#) would have ceased or from the date that the undeclared occupant moved in to the property.

Providers must comply with the RT&RAA and tenancy agreements when increasing or decreasing a household's rent.

6. Goods, services and utility charges

Providers must comply with the requirements of the RT&RAA and tenancy agreements when applying charges for goods, services or utilities.

The following parts of Chapter 2 of the RT&RAA should be regarded in relation to goods, services and utility charges:

- Part 5 – which covers outgoings of lessors or providers. Consideration should be given to details relating to service charges
- Part 6 – which covers penalties and premiums for residential tenancy agreements and rooming accommodation agreements. Consideration should be given to details relating to supply of goods and services.

[Section 6.1.1 Community-managed Housing – Studio Units](#) provides details on the charges for furnished properties managed under this program.

7. Program Specific Requirements

7.1. Affordable housing

This section establishes the rent assessment requirements for affordable housing providers including providers funded under the Affordable Housing Program (AHP). For the purpose of the CHRP, affordable housing provider has the same meaning as that given in the *Housing Regulation 2015*.

7.1.1 Rent assessment

Affordable housing providers must ensure that:

- allocations to properties are made based on the applicant's level of need in accordance with the Allocations Policy Long Term Community Housing and Affordable Housing Providers
- rent paid by tenants must be set at no more than 30 percent of gross household income (see

Note 1 below), plus the Commonwealth Rent Assistance to which an eligible tenant is entitled

- the provider's rent policy supports the application of The Benchmark Affordable Housing Rent Guide, as published by the department from time to time.

Note 1 - The Pension Reform increase component of eligible base pension rates (as introduced in 2009/10) is the only non-assessable income for the Affordable Housing Program. For more information about this payment, refer to [Section 5.1 Pension reform increases – 2009](#).

7.1.2 Application of the CHRP to affordable housing providers

Affordable housing providers are **not** required to apply all sections of the CHRP. The following sections of the CHRP are **not** applicable to affordable housing providers:

[5.2 Assessable and non-assessable income](#)

[6.1 Assessment rates](#)

[6.2.1 Young household members](#)

[6.6.1 Tax allowance scale](#)

[8.2 Crisis Accommodation Program](#)

[8.3 Supportive Housing Program](#)

7.2. Crisis Accommodation Program

This section establishes the rent assessment requirements for providers funded under the Crisis Accommodation Program (CAP).

7.2.1 Context

The application of the CHRP is influenced by the accommodation and support arrangements in place for clients. Under some service arrangements providers may apply a charge, rather than rent.

Sections of the RT&RAA have particular relevance for CAP providers. Providers must make sure they are aware of and comply with the RT&RAA.

7.2.2 Principles

For services delivered under CAP the following principles apply, in addition to the principles in [Section 3](#).

- use a degree of flexibility and with due consideration to case management processes
- support the aims and objectives of the accommodation and support programs a service is funded under. Access and level of service should not be affected by a client's ability to pay a service charge or rent, however client's should be charged rent in accordance with this policy as practicable
- it is appropriate for clients of these properties to pay a service charge or rent where their circumstances and funding agreements support this.

7.2.3 Rent assessment

Where providers funded to deliver services under CAP set rent it should be done in accordance with the CHRP. The following exceptions apply:

- providers can, at their own discretion set rent at less than 25 percent of household income, in determining rent, providers should consider the principles listed above
- depending on the client's circumstances and the type of service offered clients of CAP funded services may pay no rent.

Client contributions/fees charged are only considered as rent when they apply to a household covered by the RT&RAA.

Any client contributions, fees or charges applied to households that are **not** covered by the RT&RAA should be linked to the client's case management plan and service policies in accordance with continuing program requirements. Payments or client contributions made by residents in CAP accommodation, which are not the subject of an agreement covered by the RT&RAA, are not rent.

7.3. Supportive Housing Program

This section establishes the rent assessment requirements for providers funded under the Supportive Housing Program.

7.3.1 Context

The application of the CHRP to tenants in Supportive Housing Program properties is influenced by the target group for the program.

In order to maximise income for the building, while ensuring rents remain affordable for all tenants there are two separate structures to calculate the accommodation component of rent (excluding furnishings or utilities where applicable):

7.3.2 Rent assessment

Tenants who apply under the low to moderate income category will be charged rent in accordance with [Section 8.1](#) of the Community Housing Rent Policy. That is, rent will be set at up to 30 percent of gross household income, plus the Commonwealth Rent Assistance to which an eligible tenant is entitled. The Allocations Policy Long Term Community Housing and Affordable Housing Providers does not apply to Supportive Housing Program providers. Instead allocations must be made in accordance with their funding agreement.

Tenants who have experienced homelessness will be charged rent in accordance with [Section 6.1](#) of the Community Housing Rent Policy. That is, rent will be set at 25 percent of household assessable income, plus the Commonwealth Rent Assistance to which an eligible tenant is entitled.

8. Tools and resources

8.1. Community Housing Rent Calculator

The department has developed the [Community Housing Rent Calculator](#) (CHRC) to ensure that providers undertake rent assessments in accordance with the CHRP. The CHRC is a software application supported by the department and updated quarterly to ensure consistency with Centrelink, Department of Veterans' Affairs and Australian Taxation Office rates and payments.

Providers are required to use the CHRC or an equivalent tool when undertaking rent assessments for all programs, except the Affordable Housing Program. If using an equivalent tool, it must calculate rent in a way which complies with the requirements of the CHRP and the provider must be able to demonstrate that it will always produce the same rent calculation as the CHRC.

Prior to undertaking a rent assessment, providers must check that they are using the most recent version of the CHRC, as detailed in the CHRC User Guide. Using an out-of-date version of the CHRC may result in incorrect rent assessments.

In undertaking rent assessments for the Affordable Housing Program, providers must ensure that the mechanism used complies with the CHRP.

8.2. Publications

The department has developed a number of publications to support providers to undertake rent assessments. These publications are available on the department's website www.hpw.qld.gov.au.

9. Policy links

In implementing the Community Housing Rent Policy, providers must ensure that they are complying with all aspects of their funding agreements. In particular, providers should consider the links with the following policies:

- Allocations Policy for Funded Social Housing Service Providers.