

How we set your rent

This information sheet explains how we decide how much rent to charge our tenants.

Band A and Band B

Our tenants fall into two groups; Band A or Band B, depending on the income of the household.

- If you are eligible for public housing you will belong in Band A.
- If you are not eligible for public housing, but you are still eligible for Community Housing, you will belong in Band B.

For current income limits, go to www.housing.wa.gov.au and search for the Community Housing and Assets Limits Policy. The income limits are currently set out on page 8.

How we work out your rent

Generally the amount of rent we charge you depends on your household income and may be influenced by the market rent.

If you are a Band A household you will usually pay rent of up to 25% of the gross income (before tax has been paid) of you and everyone who lives with you, plus any Commonwealth Rent Assistance (CRA) you may be entitled to receive.

If you are a Band B household you will usually pay rent of up to 30% of the net income (after tax has been paid) of you and everyone who lives with you, plus any Commonwealth Rent Assistance (CRA) you may be entitled to receive.

Occasionally you may be asked to pay a rent based on our minimum rent policy, for example, if you are a single person in a large property.

We will never charge you more rent than the market rent for the property. This is called our maximum rent. Any utilities charges are paid on top of the rent.

The market rent is the amount your property could cost to rent in the open market.

What we need to work out your rent

To work out your rent we need to know who lives in your house and how much income each person receives. We ask you to fill in a Household Declaration and to send in documents that tell us the full income of you and everyone who lives with you.

The Household Declaration

This is an important document that we need to work out your rent. It should tell us:

- who lives with you and who may be contributing to your household income, and
- the information we need to make sure the property is the right size for everyone who lives with you.

We can only work out your rent if we have all of your details. If we don't have this information you may end up having to pay the maximum rent.

Young people who live with you

Even though we ask for details of the income of everyone who lives with you, we consider the income differently depending on how old you are. For example:

- We include income of everyone who lives with you if they are at least 16 years old.
- However we only use 10% of income plus CRA for anyone who is under 18 years old, unless they have signed the tenancy agreement.



The income we use to set your rent

We do not necessarily use all of the income that appears on your Centrelink and Veterans' Affairs statements when working out your rent. However, we do use income such as the following (this is not a full list).

- Age Pension, Carer Payment, Disability Support Pension, Newstart Allowance, Parenting Payment, Service Pension from Veterans' Affairs, Special Benefit, Widow Allowance, Youth Allowance, Abstudy, and Austudy
- Family Tax A and B, child support payments, business income, income from investments, and foreign pensions
- Wages
- Any other earned or unearned income

If you receive a pension from Veterans' Affairs we need a full statement of income and assets. It is important to explain this when asking for paperwork because the staff are used to providing a different document for Housing Authority tenants. You can give us permission to contact the Department of Veterans' Affairs on your behalf and ask them to send you the correct paperwork.

Commonwealth Rent Assistance (CRA)

It is important to note that CRA is not considered income; 100% of it is added to the percentage of your income to form your rent. To help you understand this, here is an example of how we treat your CRA when working out your rent.

Band A income = \$394.20 a week

CRA = \$64.70 a week

Correct $25\% \text{ of } \$394.20 = \98.55
 $\$98.55 + \$64.70 = \$163.25$
Rounded to \$163 = weekly rent



Incorrect $\$394.20 + 64.70 = \458.90
 $\$25\% \text{ of } \$458.90 = \$114.73$
Rounded to \$115 = weekly rent



Changes to your rent

We generally plan to assess your rent every six to twelve months.

If there is a change in your income or the people who live with you, tell your Housing Coordinator immediately so that we can adjust your rent. If your rent is reduced, it will apply from the very next rent charge.

If you need to know more, please contact the rents team, who will be happy to help you.