

## POLICY/PROCEDURE: Community Housing Rent Setting

### Purpose

To establish CatholicCare NT's (CCNT's) approach in determining and setting rent for Community Housing properties. Community Housing is defined as housing for people on low to moderate incomes who cannot access suitable accommodation in the private rental market.

### Scope

This policy applies to all properties owned/developed by CatholicCare NT Resources (CCNTR) and managed by CCNT as per the Service Agreement 2021.

### Policy Statement

In discharging its tenancy management responsibilities under agreement with CCNTR, CCNT determines and sets household rent:

- to ensure our housing is affordable for people on low to moderate incomes
- in a fair and transparent manner
- in accordance with the Residential Tenancies Act 1999 (NT)
- to maintain the financial viability for the organisation to continue to provide secure, quality, and affordable long term rental housing
- to comply with guidelines and agreements CCNT and its affiliate CCNTR holds with local, state, and federal government departments.

CCNT provides clear information to tenants on how their rent has been determined and informs tenants of their right to have their rent calculation reviewed as a part of our tenancy management service.

### Procedure

#### 1. How CCNT Determines Rent for Tenancies

CCNT manages Community Housing properties and tenants pay whichever is the lesser of - 25% of assessable household income entitlement, plus 100% of Commonwealth Rent Assistance, or the assessed market rent rate for the property.

CCNT determines the market rent value is the amount that a dwelling would be rented for in the private market.

Determination of market rent rates will be conducted annually and assessed by an independent assessor and align with the NT Government's rent operational policy guidelines (24/2/2022).

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Market rent valuations are applied in accordance with contractual requirements, and in line with the requirements of the Residential Tenancies Act 1999 (NT).

## 2. Reviewing and Calculating Rent

CCNT calculates rent:

- prior to signing a residential tenancy agreement
- every 12 months by requesting and reviewing the income of all tenants in the household
- when a tenant advises of a change to their circumstances, e.g., a household member moves in or out, or there has been a change to their household income
- the tenant rent contribution is reviewed whenever there is a household income change, or as part of our annual tenancy review. The review process ensures that the amounts charged are correct and in line with our affordability principles.

## 3. Reviewing Rent Contribution

CCNT tenancy and property service understands the impact that rent increases can have on tenants. We follow a process that ensures reviews are fair and correct.

1. Market rent valuations are completed by independent and appropriately qualified professionals.
2. Tenants are asked to provide information about their total assessable household income (which includes the income of all household members over the age of 18). This can be done by completing a Household Income Statement or by providing CCNT with consent to confirm household income with Centrelink.
3. Once rent or tenant contribution has been reviewed, a letter confirming any change is sent. In doing so, CCNT complies with notice periods and rent review processes as per Part 6 of the Residential Tenancies Act 1999 (NT).

## 4. Calculating Rent Based on 25% of Household Income

Household income is assessed as per the following:

What is included in the assessment?	Assessment rate
Family Tax Benefit A & B	15%
Child support/maintenance	15%
Commonwealth Rent Assistance (CRA)	100%
Any other income received by household members aged 18 years and over, such as Centrelink payments, wages, investment earnings	25%
Any income received by people living in the household aged under 18 years	Nil

1. If rent has increased based on the market rent rate review, CCNT will provide tenants with not less than 30 days' notice in accordance with Part 6 s41 of the Residential Tenancies Act 1999 (NT).
2. If the tenant contribution in Community Housing has increased, due to an increase in household income, the new rent rate will be applied within the next fortnight/tenant's payment cycle.
3. Where rent or tenant contribution has decreased, CCNT will action it immediately without a notice period.

## 5. Where Tenants Do Not Provide the Requested Household Income Data, CCNT will Apply:

In the event that a potential tenant is unable to provide the requested household income information the full market rent will be charged.

## 6. Paying Rent

CCNT requires payments for tenancies to be two weeks in advance (as set out in the Residential Tenancies Agreement/Lease). There are four payment options offered to tenants.

1. By Centrepay Deduction: a service which is free for eligible Centrelink customers. Tenants can use Centrepay to arrange regular deductions from their Centrelink payments. CCNT Tenancy staff can assist tenants with establishing a Centrepay agreement as part of tenancy establishment/sign up processes.
2. EFTPOS: An electronic payment system that is available in our office or over the phone.
3. BPAY: Allowing for one-off or scheduled payments into our bank account using payment details provided.
4. Direct deposit into CCNT bank account (account details provided as part of tenant sign up process.)

## 7. Failure to Pay Rent

Failure to pay the correct amount of rent on time leads to an arrear's debt. Debts will be actively monitored and managed by CCNT.

Monitoring of rental payments will occur in line with CCNT financial management processes.

In the event of any arrears/missed rental payments, the Finance team at CCNT will notify the Tenancy and Property Manager at the first available opportunity.

Recognising that addressing the reasons for non-payment of rent and negotiating repayments with tenants early enough is essential to the mission of sustaining tenancies, the Finance Manager (CCNT) and the Tenancy and Property Manager (CCNT) will meet monthly to review compliance with payment of rent.

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CCNT Tenancy and Property staff will assist tenants to negotiate repayment agreements where required.

Debt that is not repaid through a repayment agreement may result in action taken by CCNT to terminate the tenancy agreement.

CCNT will proactively refer tenants to internal and external support services where needed.

## 8. If Tenants Want More Information or Do Not Agree with the Process

CCNT calculates and notifies tenants about changes to rent and tenant contribution in-line with contractual and legislative requirements, in particular the Residential Tenancies Act 1999 (NT).

We recognise that all tenants have the right to question a review outcome, or how it has been applied.

For tenants who want more information about a review or who wish to appeal the outcome they can

1. Contact their Tenancy team/CCNT staff.
2. Lodge a complaint or dispute in accordance with our Complaints & Appeals Policy and Procedure (available on our website).
3. Contact Consumer Affairs NT and/or Darwin Community Legal Service (Tenants Advice Service)
4. Lodge a NCAT application under s42 (excessive rent) of the Residential Tenancies Act 1999 (NT).

All CCNT tenants are advised they can contact NT Consumer Affairs on 08 8999 1999 or 1800 019 319 or Tenants Advice Service - Darwin Community Legal Service on 1800 812 953, as part of the tenancy sign up process.

## 9. Transparency and Accessibility

The information in this policy will be made available in a variety of formats as part of our tenancy management processes. Formats may include a fact sheet for tenants, tenant handbook, brochures.

CCNT complies with the Residential Tenancies Act 1999 (NT) and utilises the landlord and tenant resources available by Consumer Affairs NT to ensure our ongoing compliance.

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## References

### Legislation

Residential Tenancies Act 1999 (NT)

### Links

Rent Policy Territory Families, Housing and Communities V4 2022

Consumer Affairs NT

[www.consumeraffairs.nt.gov.au](http://www.consumeraffairs.nt.gov.au)

Residential Tenancies Act 1999 NT-

[www.legislation.nt.gov.au/en/Legislation/RESIDENTIAL-TENANCIES-ACT-1999](http://www.legislation.nt.gov.au/en/Legislation/RESIDENTIAL-TENANCIES-ACT-1999)

Darwin Community Legal Service - Tenants Advice Service

<https://www.dcls.org.au>

### Associated Documents

CCNT Community Housing Tenant Handbook

CCNT Information for Tenants Establishing and Maintaining a Tenancy with CCNT

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