

Your rent

Tenants in Department of Housing and Public Works properties pay rent based on a percentage of their gross household income or the market rent of the property, whichever is less.

The rent calculation depends on the role and age of household members and whether the types of income received are assessable or non-assessable. In general, most Centrelink and Department of Veterans Affairs pensions and allowances and all wages, salary and casual earnings, are assessed.

How your income is assessed for rent

Working income is assessed after tax (i.e. your gross weekly income less the tax you pay). The percentage of assessable income applied to household members are as follows:

Household member	Assessable income percentage
Tenant and their spouse	All assessable income assessed at 25%
All household members aged 25 and over	All assessable income assessed at 25%
All household members aged under 25	All assessable income assessed at 10%
All household members under 18 who are attending full-time studies at any educational facility (e.g. school, traineeship, TAFE or university)	No casual earnings are assessed

The percentage of total assessable income for each household member is calculated and added together to work out the total rent payable.

Imputing income

Rent is assessed on a formula that considers all household incomes. Clients who have no income, a very low income or can not provide evidence of their income, will be imputed an income based on their equivalent Centrelink payment.

The equivalent Centrelink payment is the payment that most closely aligns with your circumstances, even if you don't qualify for the payment. The equivalent Centrelink payment you would be assessed on depends on your age, marital status, if you live at or away from home, or if you have any children.

Some situations where an income will be imputed is:

- You are receiving a reduced payment from Centrelink because of a breach of your obligations to receive a payment.
- You are a newly arrived resident and cannot receive a payment until you have served a waiting period or someone has agreed to provide financial support as part of your visa requirements.

You are working part-time or receiving a low income and you have chosen not to receive an income from Centrelink.

Market rent

Market rent is the maximum rent you can pay and is based on the rent charged for a similar property in the private rental market. Market rents are reviewed regularly by independent property valuers.

Your household will only pay market rent if the rent payable based on your household's total assessable income would be more than market rent.

- If you are paying market rent and the market rent for your property decreases, we will automatically reduce your rent to either the market rent amount or to the percentage of your household's total assessable income, whichever is lowest.
- If you are paying market rent and the market rent for the property increases, we will not increase your market rent until your next regular rent review.

You can appeal an increase in the market rent for the property.

Rent subsidy

Your rent subsidy is the difference between the rent you pay based on your household's assessable income and the market rent for the property. For example:

If the weekly market rent for the property is:\$185.00

If your weekly rent (based on household income) is:\$ 85.00

Your weekly household rent subsidy is:..... \$100.00

Rent subsidy reviews

Your rent subsidy is reviewed approximately once a year.

- Clients who participate in the Income Confirmation Service do not need to provide us with evidence of their Centrelink income as we obtain this information directly from Centrelink. If you have additional income, we will request evidence of this income to complete your rent review.
- If you are not participating in the Income Confirmation Service, we will send you a letter asking you to provide evidence of all income for your household.

These letters will list the income evidence required and the due date you must supply this information to the department. If you do not supply the required evidence by the due date, your rent subsidy will be removed and you will be charged market rent.

Note: If you do not provide your income information when asked, this may affect your eligibility for ongoing housing assistance and you may have to vacate your property.

Changes in your household between rent reviews

If your household income decreases at any time, we will review your rent and apply any decrease in your rent from the date you provided the evidence.

The *Housing Act 2003* requires that you advise us of any change in your income, or any household member's income, within 28 days of the change.

If your household income increases because a new person has moved in or a visitor is staying longer than four weeks, you must tell us within 28 days. Your rent will be reviewed and we will write to you about your new rent amount.

Note: If you do not declare information within 28 days, you may incur a penalty under the *Housing Act 2003* and your rent may also be backdated.

More information

Please contact your nearest Housing Service Centre. Also refer to the fact sheets:

- *How to pay your rent*
- *How to read a rental statement*
- *How to work out your rent.*