

Community Housing Rent Procedure

Policy Type	Council Procedure	Version:	1.0
Responsible Officer	Manager Community Wellbeing	Date Approved:	16 September 2020
Review Officer:	Senior Community Housing Officer	Review Due:	16 September 2024
Author:	Senior Community Wellbeing Officer	Commencement:	16 September 2020

1. PURPOSE

Mareeba Shire Council delivers a Long Term Community Housing Program with 108 units across the towns of Mareeba, Mount Molloy, Kuranda and Dimbulah. Council has funding agreements with the Queensland Government for 84 of the properties and is obliged to adhere to the relevant Departmental regulation and policies for funded properties. For the properties that do not have a funding agreement, Council aims to apply social housing principles and manages these in a consistent manner to the unfunded properties.

As a registered provider of long term community housing under the Queensland State Regulatory System for Community Housing, Council is required to implement a Community Housing Rent Policy.

2. SCOPE

This document outlines the Community Housing Rent Policy, to be implemented by Mareeba Shire Council as a registered housing provider, funded by the Queensland Government, to deliver social housing.

3. POLICY STATEMENT

Mareeba Shire Council adheres to the principles as outlined in the Queensland Government's *Community Housing Rent Policy 2013*, to provide affordable housing to low to moderate income earners and deliver social housing consistently and fairly.

3.1 RENT CALCULATION

The rent assessment principles used by the Mareeba Shire Council ensure equity and affordability for tenants in long term community housing. The calculation is based on a comparison of:

- 25% of the household's assessable income plus Commonwealth Rent Assistance; and
- The market rent for the property.

In order to establish the calculated rent for each household, Council must determine the following:

- a) *25% of assessable income plus rent assistance*
 This calculation is determined by the tenant's financial situation by entering information into the Queensland Government's Community Housing Rent Calculator.
- b) *Market rent*
 No more than once every 12 months, Council must review the market rents for the properties.

Human Rights Compatibility Statement

The *Human Rights Act 2019* (HR Act) (Qld) came into effect on 1 January 2020 and will mean fairer laws, policies and practices by public entities when dealing with the community on a day-to-day basis. This procedure has been drafted in alignment with obligations under s 58 of the HR Act.

This may be achieved by engaging an independent property valuer or real estate agent to conduct a rent appraisal of each property, based on the following criteria:

- Local market rent conditions;
- Individual property characteristics including location, size and age of the property;
- The financial contributions made by tenants to properties;
- The low risk of property damage;
- The long term tenancy of most properties.

Council may utilise other methods to determine market rents including the use of comparative rental data or by increasing existing market rents by the Local Government Index (LGI).

3.2 SETTING RENTS

Council then uses the Queensland Government's *Community Housing Rent Calculator* to determine if the rent for each property is set at the market rent or 25% of the household's assessable income plus Commonwealth Rent Assistance, with the household to pay whichever is the lower amount.

3.3 RENT REVIEWS

Under the Queensland Government's *Community Housing Rent Policy*, Council is required to review all rents at least annually. The rent review is conducted after the pension increase in March or September to reduce the impact on tenants.

The rent for every eligible household will be recalculated during the rent review to ensure that tenants are paying either market rent or 25% of their income plus Commonwealth Rent Assistance, whichever is the lesser amount. Rents will be adjusted after the rent review with Council providing tenants two months' notice prior to any increase in rent.

Additional rent reviews will be conducted when there is a change to household circumstances such as an increase or decrease in income (other than annual pension increases) or an additional household member is approved.

3.3.1 Impact of Property Improvements on Rent Appraisal

It is the responsibility of the tenant to seek approval from Council of any significant improvements added during their tenancy to update Council records.

The improvements will be excluded from consideration during rent appraisals for the length of the tenancy.

3.3.2 Rent Payment Methods

There are different methods for payment of rent to suit the tenant's requirements.

- A bill paying service - Centrepay is a free direct bill paying service for tenants receiving Centrelink payments such as the Age Pension. Rent is deducted directly from Centrelink payments and paid directly to the Mareeba Shire Council each fortnight;
- Cash, cheque, debit or credit card at a Mareeba Shire Council Service Centre;
- Electronic Funds Transfer - the tenant can electronically deposit rental payments to Mareeba Shire Council's account.

All enquiries related to rent, or changes to tenants' circumstances, should be addressed to the Community Housing Officer at the Mareeba Shire Council. The Officer is able to provide a copy of a current rent ledger, listing all payments to-date.

3.4 RENT ARREARS

The tenant is responsible for ensuring that rent is paid by the due date, as noted in the Tenancy Agreement. If the tenant is not able to pay their rent, they are required to contact the Mareeba Shire Council's Community Housing Officer immediately to discuss payment options.

If the rent is more than 7 days overdue, the Council may issue a *Notice to Remedy Breach* (RTA Form 11). The tenant will have 7 days to pay the outstanding rent and must continue to pay rent which is due in that period. If payment is not received, a Notice to Leave (RTA Form 12) can be sent and the tenancy may be ended if the outstanding rent is not paid in accordance with the *Notice to Remedy Breach*.

4. REPORTING

- No additional reporting required.

5. DEFINITIONS

1. Funded property - a unit which is subject to a funding agreement with the Queensland Government.
2. Household - means everyone listed on the tenancy agreement regardless of age or relationship.
3. Rent - rent is paid where a household is covered under the *Residential Tenancies and Rooming Accommodation Act 2008*.
4. Social Housing - public and community housing that is available to provide housing stability to vulnerable people who aren't able to access and sustain housing in the private market.
5. Unfunded property - a unit which is not subject to a funding agreement with the Queensland Government.

6. RELATED DOCUMENTS AND REFERENCES

Housing Act 2003 (Queensland)
Housing Regulation 2015 (Queensland)
Human Rights Act 2019 (Queensland)
Information Privacy Act 2009 (Queensland)
Mareeba Shire Council Community Housing for Seniors Policy
Mareeba Shire Council Customer Service Charter
Mareeba Shire Council Tenant Information Guide & Procedures
Queensland State Regulatory Code
Queensland Government's Allocations Policy for Funded Social Housing Providers
Queensland Government's Allowable Expenditure Policy
Queensland Government's Community Housing Rent Policy
Queensland Government's Community Housing Tenancy Management Policy
Queensland Government's Social Housing Eligibility Criteria
Queensland Government's Social Housing Program Specifications
Residential Tenancies and Rooming Accommodation Act 2008 (Queensland)

7. REVIEW

It is the responsibility of the Manager Community Wellbeing to monitor the adequacy of this policy and implement and approve appropriate changes. This policy will be formally reviewed every four (4) years or as required by Council.