

Rent Setting

Policy

1 Purpose

The purpose of this policy is to outline Southern Cross Housing' s (SCH) criteria for the assessment of household rent payable for Community Housing Tenants.

2 Scope

This policy applies to the method of calculation of rent for all approved applicants who meet SCH's eligibility requirements for Community Housing. This policy provides guidance to SCH Property Managers on the calculation of rentals for all eligible, approved applicants, and should be read in conjunction with the SCH Policy on Eligibility and Allocation.

3 Policy Statement

Rents will be set in accordance with income and asset holdings of applicant s who meet the eligibility criteria set by the Department of Communities for Community Housing

There are two Bands for income eligibility, Band A and Band B. Refer to the Eligibility and Allocation Community Housing Policy and Community Housing Income and Asset Limits Policy (CHIAL) for a full account of income and asset limits and eligibility requirements for SCH.

All prospective applicants must provide the following information when completing a SCH application form for assessment of eligibility.

1. Recent bank statements for a consecutive three months.
2. Centrelink Statement of Benefit or consent to check their Centrelink account (EVOR Consent form)
3. Payslips or tax assessments if employed.

4 Rent Calculation Process

SCH uses a 'Rent Setting Calculator' to calculate total rent and Commonwealth Rent Assistance (CRA), supplied by Shelter WA, the calculator is updated regularly to reflect the latest information regarding benchmarking and CRA.

Commonwealth Rent Assistance (CRA) is a Commonwealth payment made to recipients for income support payments to assist in the payment of rent. CRA is calculated via the Rent Setting Calculator as the maximum amount for which each applicant of a household is entitled based on their individual income. If actual CRA received varies from what we estimate using the calculator, rent will be adjusted in line with the amount reflected on the tenants Centrelink Statement of Benefit.

Band A tenants pay no more than 25% of their gross assessable income as rent. Gross income refers to the pre-income tax (before tax) income of a household or individual.

Band B applicants are calculated using the Rent Calculator in the same way. Band B tenants should pay no more than 30% of their net (post-tax) income. Net income refers to the post-income tax (after tax) income of a household or individual.

Rents are capped to a maximum of 74.99% of market rent value for Band A and Band B applicants as provided by Shelter WA benchmarking figures annually.

5 Roles and Responsibilities

Role	Responsible for:
Executive Management Committee	Endorse and ensures compliance with this policy Be familiar with legislative requirements of this policy
General Manager/Executive managers/Head of Department	Oversee compliance with this policy Support staff competence and compliance with this policy and ensures staff receive appropriate training and supervision to comply with this policy Report on collated information regarding policy scope and key performance indicators, to ensure operational decision making is informed by outcomes and this policy Support the review of this policy
Manager, Co-ordinators/Team Leaders	Manage and monitor compliance with this policy and facilitate access for staff to receive appropriate training, and supervision to comply with this policy Collate and escalate reported information as required Ensure operational decision making is informed by this policy
Property Managers:	Management of properties within portfolio, both owned and managed. Includes but not limited to allocation, income and asset assessment, suitability of property (fit), location etc.
Staff	Comply with this policy Maintain knowledge of the current practices in relation to the subject of this policy, as applicable to their role Report any incidents as per organisational policy Participate in regular practice supervision

6 Legislation and Supporting Documents

6.1 Legislation & Standards

- Residential Tenancies Act 1987 (WA)
- Department of Communities Community Housing Rent Setting Policy (2009)- [community_housing_rent_setting_policy.pdf](#)
- Community Housing Income & Asset Limits (CHIAL) Policy (2025) - [community_housing_income_and_asset_limits_policy.pdf](#)

6.2 Internal Documents

- SCH Eligibility & Allocation Policy
- SCH Rent Setting Procedure & Calculator

6.3 Tools & References

- Shelter WA Rent Setting Calculator
- Residential Tenancy Agreement (Form 1AA)
- Renting Out Your Property: A Lessor's Guide (WA Government)
- Benchmark market rent values (Australian Tax Office)

7 Definitions

Term	Meaning for the purposes of this policy document
Gross income	The pre -income tax (before tax) income of a household or individual.
Net income	income refer s to the post -income tax (after tax) income of a household or individual
Assessable Income	Includes salaries, Centrelink payments, pensions, allowances, etc., per Department of Communities guidelines.
Market Rent	The private sector rent for a comparable property, determined by independent valuation or reliable external data.
Maximum Rent	Capped at 74.99% of Market Rent , in line with WA Community Housing Rent Setting Policy
Basic Rent	25% of net income for Band A, or 30% for Band B tenants.
Commonwealth Rent Assistance (CRA)	A Commonwealth payment made to recipients for income support payments to assist in the payment of rent. Factored in at 100%—aligned with Department of Communities policy
Charged Rent	The lower of (Basic Rent + CRA) or Maximum Rent.

8 Document Control

Rev	Owner	Sections Modified	Date Reviewed	Next Review Date
1.0	Head of Retirement Villages and Community Housing	First release	01/04/2018	01/07/2021
2.0	Head of Retirement Villages and Community Housing	Full document review	20/01/2023	20/01/2026
3.0	Chief Property Officer	4, 6 and 7	20/06/2025	20/06/2027