

Rent Review FAQs

Revised September 2021

The following Frequently Asked Questions (FAQ's) have been created to answer some of the most common questions residents have in relation to the Housing Choices SA Rent Review process.

1) When does the Rent Review occur?

Rent Reviews occur twice a year in March and September – in line with the CPI increase to Centrelink benefits.

2) Do I have to provide information for the Rent Review if my circumstances haven't changed since the last review?

It is a requirement of the tenancy agreement that the Household Occupant Form is completed during every Rent Review. The form must be completed and returned to HCSA listing the details of every person living in the property. Failure to provide this information may result in the incorrect rate of rent being charged.

3) What can I do to make the Rent Review process easier?

If you or any member of your household receives income support from Centrelink, you can give written consent for Housing Choices to access the following information:

ICS – Income confirmation – this allows HCSA to access your payment details (both current and historical)

EVOR – Electronic Verification of Rent – this allows HCSA to update your rent payment amount with Centrelink, so you are paid the correct rate of Rent Assistance.

Centrepay – if you pay rent using the Centrepay function, HCSA can update the rent deduction amount to avoid you getting behind with rent.

Please request a Centrelink Multiple Consent Form from our office if you or other members of your household would like to use this service.

If you or any household members is earning a wage, please provide the last 6 weeks of payslips.

4) What is CRA?

Commonwealth Rent Assistance (CRA) is a non-taxable income supplement payable by Centrelink to eligible people who rent in the private rental market or community housing.

5) How is my rent calculated?

Housing Choices uses an income-based formula to calculate the amount of rent payable for each property. Every person in the household receiving an income must be included in the calculation.

Currently, an eligible community housing general tenancy pays a subsidised rent based on 25% of the household's total assessable income before tax; and an affordable tenancy pays a subsidised rent based on 30% of the household's total assessable income before tax. 100% of eligible rent assistance is included in the total rent charge.

From 1 July 2021, if a tenant has a moderate household income, their subsidised rent will gradually increase from 25% to 30% of their total assessable household income before tax. A tenant has a moderate household income if they meet both the below conditions:

- Their total assessable household income before tax is equal to or more than the moderate rent limits.
- They or their partner don't receive an income support payment from Centrelink or Department of Veteran's Affairs, for example JobSeeker, Age Pension.

July 2021 Moderate rent limits are:

| Household type | Moderate household income limits per week |
|----------------------|---|
| 1 adult | \$715.05 |
| 1 adult, 1 child | \$873.95 |
| 1 adult, 2 children | \$1032.85 |
| 2 adults | \$1112.30 |
| 2 adults, 1 child | \$1271.20 |
| 2 adults, 2 children | \$1430.10 |

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Different percentage rates are calculated for different types of income (i.e. 100% of Commonwealth Rent Assistance and 15% of Youth Allowance, Family Tax Benefit & Child Maintenance).

When a carer is living with a resident solely for the purpose of providing care, their income is not included in the calculation. HCSA will require the carer to provide a letter from the resident's doctor to confirm this arrangement.

6) What benefits are excluded from the rent calculation?

Carer's allowance and supplements paid to Centrelink recipients (such as energy supplement and pharmaceutical allowance) are not included in the rent calculation. The Coronavirus Supplement is deemed non-assessable income for the purpose of assessing rent.

7) What is Market Rent?

Market Rent is the maximum rent payable for the property as assessed on an annual basis by the Valuer General. This is the maximum amount that can be charged for rent on the property by HCSA.

8) How much will my rent increase by at each Review?

In most cases rent increases will be less than \$10.00 per week unless there has been an increase in income, change in income type or change to household members.

9) What happens if I don't provide proof of income?

It is a requirement of your rental agreement that you provide the required documents to support your request for an income-based rent. Failing to provide the Household Occupant and Rent Review form or providing income details for all household members will imply you no longer required an income-based rent and your rent will be reverted to the market rent payable for the property.

10) What if my income fluctuates?

If your income changes from one fortnight to the next, we will require the most current pay details for the past 6 weeks (i.e. payslips) to calculate an average income. This will be used to calculate your rent for the current Rent Review process.

You are responsible to notify your Housing Officer of changes to your income that are greater than \$20.00 per week.

11) What happens once I have returned the documents requested?

Your income and household information will be entered into our rent calculator. You will receive a letter from Housing Choices that will advise of the current rent, the market rent, the new rent payable and the date the new rent will take effect, together with the income details we used to determine your rent.

If you have given permission for us to complete EVOR (Electronic Verification of Rent) and Centrepay this information will be updated, and Centrelink will also write to you to confirm the new details.

12) When should I start to pay the new rental amount?

It is a requirement of your Tenancy Agreement that rent is paid 2 weeks in advance. Therefore, you should increase your rent payment to the new amount in the pay period prior to the increase date – 22/11/2021.

13) What if I have any questions regarding my Rent Review or the calculation?

Your Housing Officer can be contacted on 1300 312 447 to help.