

Rent Assessment Policy

Purpose

To define Alliance Housing's approach to assessing tenant rents.

Scope

This policy applies to all properties managed by Alliance Housing across its housing programs.

Intent

Alliance Housing aims to ensure that rents charged are affordable based on the individual tenant or households' financial circumstances. Where the tenant is eligible for assistance and earns insufficient household income to afford market rent, Alliance Housing may charge a discounted rent.

Policy

Rents will vary depending on the tenant's household income and their capacity to pay and no tenant will be charged a rent higher than the individual property market rent. Tenant's will be required to provide proof of income and eligibility to enable their rent to be determined.

1. Rent Setting

Social Housing and Affordable Rental rents will be determined consistent with the Department of Communities Community Housing Rent Setting Policy.

<https://www.wa.gov.au/system/files/2025-07/community-housing-rent-setting-guidelines.pdf>, section 3.

1.1 Social Housing

For tenants occupying social housing, rents will be charged at 25% of gross assessable household income, plus 100% Commonwealth Rent Assistance payment. For clarity social housing tenants are considered to be Band A as defined in the Department of Communities policy.

1.2 Affordable Rental

For tenants occupying affordable rental, generally moderate-income households, rents may be charged at equal to or higher than 25% but no more than 30% of net household assessable income, plus 100% of any applicable Commonwealth Rent Assistance payment. For clarity affordable housing tenants are considered to be Band B as defined in the Department of Communities policy.

1.3 Special Needs Housing

For tenants occupying special needs housing, rents for individual tenants and households will be set based on the Program guidelines. Where applicable, Alliance Housing or its support partner will provide specific details on rent charges for individual tenants or households.

1.4 Assessable and Non -Assessable Income

These are defined according to Department of Communities:

Assessable income is any income of all tenants and non-dependant householders who have reached 16 years of age, which is regular, ongoing income and is provided for or able to be used for general living costs.

Non-Assessable income is generally payments for a specific purpose and not for general living costs. These are reviewed periodically and are subject to change.

https://www.wa.gov.au/system/files/2023-07/assessable_income_payments.pdf

1.5 Ineligible Tenants

Any tenant who no longer meets Alliance Housing's eligibility requirements may be charged market rent.

1.6 Market Rent

On an annual basis, "**Market Rent**" for each property will be determined by using a recognised, external source which may include but not limited to, the Australian Taxation Office, Landgate, REIWA or a professional market rent valuation. This market rent will reflect the rent charged for a similar property in the local market and will be the maximum rent payable on the property. Consistent with its tax status, Alliance Housing may elect to cap the Market Rent charged on individual properties at a maximum of 74.99% of the assessed Market Rent.

NRAS properties Market Rent is defined in the National Rental Affordability Scheme Act 2008.

2. Rent Assessment Process

At the time of occupation, we will undertake an assessment of the tenant's household income and financial circumstances to determine: -

- (a) The tenant's eligibility for a discounted rent;
- (b) The level of rent to be charged to the tenant.

2.1 Rent Review

To ensure the tenant's rent remains affordable and that the tenant remains eligible for housing assistance, we will undertake a review of the tenant's household income and financial circumstances on an annual basis, unless there is a change in income or household make up or a tenant request for a rent review which can be made at any time.

As part of the review, the Tenant will be asked to give current proof of income for all household members 16 years of age or over within a reasonable amount of time.

Tenants and household members whose sole income is a government benefit and have signed a Centrelink Authority form/s are not required to notify of the household income increase as it will be processed automatically.

Once the current income details have been provided, we will reassess the rent and advise the tenant in writing of the new rent and the date when it commences.

If a tenant does not provide their household income details by the due date, we will be unable to determine the tenant’s ongoing eligibility and may charge market rent.

2.2 Changes in Household Income or Make up

When there is a change in household income or to the number of people in the household, the tenant’s rent may change.

Tenants must notify Alliance Housing within 14 days when their household income changes or the people in the household change.

We will then ask for proof of income for the household and a review of the rent amount carried out within 14 days of getting the new income details.

2.3 Notice of Rent Change

- Tenants will be given 60 days written notice of a change in the method of calculation which results in a rent increase.
- Tenants will be given least 15 days written notice of a rent **variation** where the method of calculation has not changed.
- Rent decrease for tenants will be effective from the date of change when the proof of household income is received within 14 days of the notification.
- Rent increase/variation will not occur within the year from the last increase unless household income or make up has changed and the rent review calculation shows an increase.
- A rent increase/variation may be backdated where the tenant’s household income has increased, and the tenant has failed to notify Alliance Housing within 14 days.

Variations

A variation occurs where rent changes due to a change in household income, and not due to a change in the rent calculation method

3. Proof of Income

Proof of Income Documents must be original, provided for all household members and include:

Type of Income	Acceptable Proof of Income
Income from Centrelink or Veterans’ Affairs	Income Statement from Centrelink or Department of Veterans’ Affairs which are no more than 4 weeks old.
Wages/Salary	Consecutive Payslips, a letter, or statement from the employer Certificate of Earnings showing the person’s gross wage/s, tax, deductions, pay period/s and details for the person. The documents must show the income for a minimum period of 4 weeks, an average will be used.
Self employed	Profit and loss statement completed by an accountant or taxation return for the previous year. If these

	cannot be provided, they will be assessed at the equivalent award rate for the occupation in relevant industry.
Income from an overseas government, Workcover or insurance company/agency	Letter or statement from an overseas government, Workcover, or an insurance company showing any money paid.
Income from investments	Letter or statement from a finance or investment company showing any amounts paid from investments.
Other	Letter from another company or agency not listed above showing the type and amount of money paid to them.

If a tenant or household member is eligible for an Australian Government payment, benefit or allowance but chooses not to apply for it or is receiving an amount less than they are entitled to, they will be considered as being in receipt of the full amount of that income and it will be included in the rent assessment.

A recipient whose Centrelink payment is fully or partially cancelled because they have failed to meet their obligations and/or requirements will be considered as being in receipt of that source of income and it will be included in the rent assessment.

4. Co-resident Carers

An eligible co-tenant carer will have their income calculated for rent purposes based on the lessor of:

- a. Their assessable income will be capped at 25% (Band A) or 30% (Band B)
- b. Their assessable income will be capped at 25% (Band A) or 30% (Band B of the current full rate of the Centrelink Carer Payment including Pension Supplement and Energy Supplement (plus 100% of any rent assistance they may be entitled to).

An eligible co-resident carer with an assessable income that exceeds the full rate of the Centrelink Carer Payment, will instead be treated as only receiving the full rate of the Centrelink Carer Payment, including the Pension Supplement and Energy Supplement

5. Appeals

Tenants have the right to appeal against a decision made in relation to how their rent has been calculated.

All information and communication gathered for rent assessment will be dealt with accordance to the Privacy Act 1988 and the Privacy Principles.

Legislation and Compliance

This policy operates consistent with any relevant legislation including the following:

- *Residential Tenancies Act 1987.*
- *Centrepay Policy and Terms*
- *Community Housing Rent Setting Policy 2025*
- *National Rental Affordability Scheme Act 2008*
- *Privacy Act 1988 and amendments*
- *Australian Privacy Principles*

Implementation, Review and Amendments

This policy is applicable from the date of Board Approval.

Alliance Housing will review this policy on a regular basis to ensure it remains up to date.

Document/ Version Number	Amended By:	Amendment Narrative	Board Approval Date	Status
AH-RAP/1	Elysian Consultants	New Policy	17/02/2021	Superseded
AH-RAP/1	Senior Admin	Review -No changes needed	17/08/2022	Superseded
AH-RAP/2	CEO	Full review – include NRAS, rent notice, Tenant carers, Appeals	07/07/2025	Superseded
AH-RAP/2	CEO	Changes to CH Rent Setting Policy	17/09/2025	Approved
AH-RAP/2	CEO	Include information on Rent Variations	22/04/26	Approved