

Rental Rebate

Policy

Date effective: 4 February 2020

1. Purpose

This policy outlines eligibility for a rental rebate and explains how rebated rent is calculated, applied and reviewed.

2. Objectives

The objective of this policy is that housing is affordable for low income households.

3. Scope

This policy applies to all new and existing tenants of public housing only. It does not apply to occupants of existing (legacy) public housing dwellings located in remote communities, Alice Springs town camps and Tennant Creek community living areas.

Occupants of existing (legacy) dwellings are not charged rent under a tenancy agreement. Refer to the Remote Housing Leases policy and the Pre-existing and Improvised Dwellings policy for more information regarding occupants of existing (legacy) dwellings.

4. Definitions

Full rent	Rent payable for a dwelling as determined by the Minister for Local Government, Housing and Community Development under the <i>Housing Act 1982</i> , section 23. This is the maximum rent charged for a dwelling prior to any rebate or subsidy being applied.
Rebated rent	Rent charged that is less than the full rent for the premises.
Recognised occupier	Someone whom the tenant of the premises has notified the Chief Executive Officer (Housing), in writing, is or will be occupying the premises and the Chief Executive Officer (Housing) has made a notation in relation to the lease about the occupancy.
Rent	An amount payable under a tenancy agreement for the occupancy of premises for a period of the tenancy.
Rental rebate	A rental subsidy provided to an eligible client that is the difference between the full rent for a premises and the rebated rent charged.

5. Policy detail

The Minister for Local Government, Housing and Community Development (the Minister) determines the rent payable for public housing dwellings, as described in the Rent policy.

Under the *Housing Regulations 1983* (regulation 5), the Chief Executive Officer (Housing) is able to grant a rebate of rent to eligible persons, for an amount and period as it thinks fit.

Tenants who meet eligibility requirements will have their rent calculated as a percentage of household income (called 'rebated rent') and be provided with a subsidy off the full rent of the premises.

Where the rebated rent amount calculated is higher than full rent, full rent is charged.

5.1. Eligibility for a rental rebate

Eligibility requirements for a rental rebate are the same as the eligibility requirements for accessing public housing, as outlined in the Eligibility for Public Housing policy. A tenant who is eligible for public housing is eligible for a rental rebate, under this policy.

Rent for households on the Employment Incentive Scheme and the Steps Program are outlined in the Employment Incentive Scheme policy and the Steps Program policy.

5.2. How rebated rent is calculated

Rebated rent is calculated as a percentage of the assessable household income. Refer to the Income and Assets policy for details of income included in assessment.

5.2.1. New eligible households in urban areas

Rebated rent will be calculated at 25% of household income, for all assessable income types, for:

- households entering urban public housing from 1 October 2018; and
- households who have been ineligible for 13 weeks or more and become eligible again after 1 October 2018.

Where a household transfers within urban public housing, the original date of entry is used and not the transfer date.

5.2.2. Existing eligible households in urban areas

For eligible urban households who entered urban public housing before 1 October 2018 and have remained eligible since 1 October 2018 (or who have been ineligible for less than 13 weeks), rebated rent will be incrementally increased to a rate of 23% of household income, for all assessable income types.

Rebated rent rates that applied before 1 October 2018 will be incrementally increased over five years as outlined in Table 1, until rates reach 23% of income for all income types.

Table 1: Incremental Increase of Rates (%)

Rate Prior to 1/10/2018	Year 1 1/10/2018	Year 2 1/10/2019	Year 3 1/10/2020	Year 4 1/10/2021	Year 5 1/10/2022
10	12.6	15.2	17.8	20.4	23
14	15.8	17.6	19.4	21.2	23
18	19	20	21	22	23
20	20.6	21.2	21.8	22.4	23
23	23	23	23	23	23

5.2.3. Households in Remote Communities, Alice Springs Town Camps and Tennant Creek Community Living Areas

Different percentages of income are calculated as outlined in Table 2.

Table 2: Rate of Assessable Income Charged as Rebated Rent by Category

Category	Rate (%)				
	Primary client and co-client			Additional household members (recognised occupiers)	
	General	Aged	Family Tax Benefit A	Aged 18 – 24 years	Aged 25 years and over
Remote Community New House - First year of tenancy	18	14	8	8	16
Remote Community New House - Second and following years of tenancy	23	18	10	10	20
Town Camps and Community Living Areas					
Refurbished and other compliant houses	18	14	8	8	16

5.3. When rental rebates are calculated and applied

Rental rebates are applied at the commencement of the tenancy. The rebate is effective until a rental rebate review is required, or the household becomes ineligible for public housing.

The amount of rebated rent charged is reviewed:

- when the Department is made aware of a change in household income or household members (changes in circumstances may require reassessment of eligibility for public housing); or
- every six months, except for:
 - Tenants receiving Aged, Widows, Veterans Affairs, or Disability Pensions. Rebated rent is reviewed annually for these tenants (unless household circumstances change).
 - Tenants who have household income that varies from week to week. For these tenants, a shorter review period may be applied to ensure that the household is not disadvantaged.

The Department will request updated income details directly from Centrelink at rental rebate review, where written consent has been provided by the client on the Income Confirmation Scheme Active Consent Authority form. The tenant will be advised in writing that their rebate has been reviewed and the outcome of the review.

Tenants who have household income from sources other than Centrelink are required to provide these income details to the Department at rental rebate review.

Where income details are not provided to the Department, full rent will be charged from the end of the current rental rebate effective period. A late rental rebate review will be conducted if the Department receives income details after the scheduled review period. Rebated rent will be backdated for the period the tenant has remained eligible for public housing.

Full rent will be applied to tenants who are not eligible for public housing.

It is a condition of the tenancy agreement and the provision of a rental rebate that tenants must advise the Department of a change in household circumstances including increases/reductions of income and household size within 28 days. Changes to the rental rebate will be backdated to the date the change in circumstances occurred. Failure to notify the Department of a change in circumstances affecting a rental rebate is an offence under the *Housing Act 1982*, section 36A, and action may be taken by the Department.

5.4. Subtenants

Under the Extended Absences and Caretaker Arrangements policy, subtenants may be approved to reside in a public housing premises. Subtenants are charged full rent, although the Manager has discretion to apply a rebated rent in line with this policy, providing the subtenant meets eligibility requirements.

5.5. Offences under the *Housing Act 1982*

5.5.1. Failure to notify of changes in household circumstances

A person in receipt of a rental rebate commits an offence under the *Housing Act 1982*, section 36A, if the household income changes during the rebate period if the tenant knows of the change and fails to notify the CEO (Housing). The maximum penalty is 100 penalty points for each offence.

5.5.2. Giving False or Misleading Information or documents to CEO (Housing)

A person commits an offence under the *Housing Act 1982*, section 36, if they provide the Department with a document containing misleading information. The maximum penalty is 100 penalty points.

6. Discretionary decision making

No discretion can be applied to the percentage of income used to calculate rebated rent or to apply a rental rebate to a client who is not eligible.

Discretion can be applied to rental rebate review periods and application of rebated rent for subtenants using the Discretionary Decision Making policy.

7. Complaints and/or appeals

If a client is not satisfied with either a decision or action of the Department, they can access the Department's complaints and/or appeals processes. For further information, please refer to the Complaints and/or Appeals policies.

8. Review of the policy

If at any time the legislative, operating or funding environment is so altered that the policy is no longer appropriate in its current form, the policy shall be reviewed and amended accordingly.

9. References

9.1. Legislation

Housing Act 1982

Housing Regulations 1983

Residential Tenancies Act 1999

9.2. Policies

Appeals policy

Complaints policy

Discretionary Decision Making policy

Eligibility for Public Housing policy

Employment Incentive Scheme policy

Extended Absences and Caretaker Arrangements policy

Income and Assets policy

Pre-existing and Improvised Dwellings policy

Remote Housing Leases policy

Rent policy

Steps Program policy

10. Document change control table

Release date	Version number	Approved by (position)	Section amended	Category
4/02/2020	5.01	Director Policy	5.1	Editorial amendments
16/08/2019	5.00	Chief Executive Officer	5.2	Revised
30/11/2018	4.00	Chief Executive Officer	5.2.3	Revised
1/10/2018	3.00	Chief Executive Officer	all	Revised
21/12/2017	2.02	Director Policy	appendix	Editorial amendments
21/11/2016	2.01	Director Policy	all	Editorial amendments
23/11/2015	2.00	Director Policy	all	Editorial amendments
2/09/2013	1.00	Executive Director, Housing Operational Client Support	all	New separate policy derived from Housing Services Operational Policy Manual, Chapter 8