

Information Sheet: How your rent is calculated

Your household income and assets are used to calculate the rent you pay.

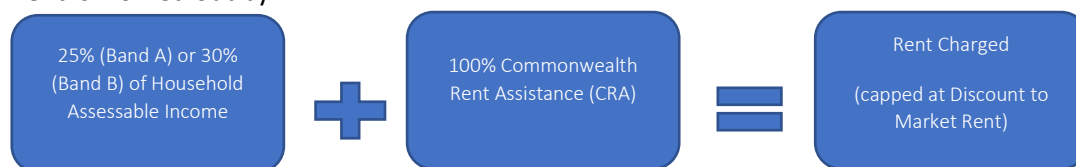
The household includes everyone living in the property.

You will be assessed as either a Band A or Band B household which informs the way your rent is set.

Band A refers to households who meet the Public Housing income eligibility criteria.

Band B refers to households with income above the Public Housing income eligibility criteria and within the National Rental Affordability Scheme income eligibility limits.

Rent is worked out by:



Assessable Income for rent setting includes, but is not limited to:

- Earned income, Centrelink pensions, supplements, allowances, maintenance payments, foreign pensions, and interest from financial assets.
- Income from all household members 16 years and older.

Market rent means the independently assessed market rent for your housing type in your location determined by the Australian Taxation Office (ATO). Discount to Market rent is the ATO Market rent discounted to 74.9% of that amount.

During your tenancy, you must tell your Housing Services Officer of any changes to household members or income within 14 days. Please note, **permission from your Housing Services Officer is needed before extra householders can move in.**

Prior to the start of your tenancy, and each year during your tenancy, we will ask for your household income and asset details. This is so we can check your eligibility and calculate your rent.

Depending upon the housing program that applies to your home, you may be asked to provide extra information. You will be advised of this in your Eligibility and Rent Review letter.

Information is needed by the due date in that letter to confirm your eligibility for community housing and to calculate your rent. If you do not provide the information, you may be in breach of your agreement and/ or your rent may increase to the Discount to Market Rent amount. Please contact the Rent Review Officer to discuss any queries.

See Advance Housing's Rent Setting Policy for more information.

Rent Setting Examples:

These examples are correct as at time of writing. They are intended to be used for educational purposes only. While all efforts are made to keep this resource up to date, the amounts shown will be subject to change and your actual calculations will be confirmed with Advance Housing.

Case Study 1:

Dave and Jenny are a retired couple living in a 2-bedroom unit managed by Advance Housing in Albany. Their combined income and cash assets are within the Band A eligibility limits set by the Housing Authority making them assessed as a Band A household for rent setting purposes. Their home has been assessed with a discount to market rent of \$558.00 per fortnight.

This means their rent will either be 25% of assessable household income plus 100% of the Commonwealth Rent Assistance, or the discount to market rent for that property-whichever is lower.

Dave and Jenny's income-based rent assessment is calculated as follows:

Income	Amount per fortnight
Age Pension (\$792.50 each x 2)	\$1,585.00
Pension Supplements/ Benefits	\$147.20
Financial Investment Income	\$2.40
Total Household Assessable Income	\$1,734.60
Basic Rent (25% of Assessable Income)	\$433.65
Plus 100% of Commonwealth Rent Assistance	\$199.80
Income Based Rent Assessment	\$633.45
Rent Payable- capped at Discount to Market Rent	\$558.00

As the discount to market rent is lower than the income-based rent assessment, Dave and Jenny's final rent that they will be charged is \$558.00 per fortnight.

Case Study 2:

Debbie is a single parent with 2 young children living in a 3-bedroom house in Mount Barker.

Debbie's household income and cash assets are within the Band A eligibility limits set by the Housing Authority making her a Band A household for rent setting purposes. Her home has been assessed with a discount to market rent of \$605.00 per fortnight.

This means her rent will either be 25% of assessable household income plus 100% of Commonwealth Rent Assistance, or the discount to market rent for that property- whichever is lower.

Debbie's income-based rent assessment is calculated as follows:

Income	Amount per fortnight
Parenting Payment Single	\$1,011.50
Pension Supplements/ Benefits	\$43.10
Family Tax Benefit (Part A and B)	\$676.86
Maintenance	\$40.00
Total Household Assessable Income	\$1,771.46
Basic Rent (25% of Assessable Income)	\$442.87
Plus 100% of Commonwealth Rent Assistance	\$249.20
Income Based Rent Assessment	\$692.07
Rent Payable- capped at Discount to Market Rent	\$605.00

As the discount to market rent is lower than the income-based rent assessment, Debbie's final rent they will be charged is \$605.00 per fortnight.

Case Study 3:

Mick is a single man living on his own, in a 2-bedroom house in Denmark.

Mick's household income and cash assets are within the Band A eligibility limits set by the Housing Authority making him a Band A household for rent setting purposes. His home has been assessed with a discount to market rent of \$558.00 per fortnight.

This means his rent will either be 25% of assessable household income plus 100% of Commonwealth Rent Assistance, or the discount to market rent for that property- whichever is lower.

Mick's income-based rent assessment is calculated as follows:

Income	Amount per fortnight
Job Seeker Payment	\$765.81
Pension Supplements/ Benefits	\$29.39
Total Household Assessable Income	\$795.20
Basic Rent (25% of Assessable Income)	\$198.80
Plus 100% of Commonwealth Rent Assistance	\$145.20
Income Based Rent Assessment	\$344.00
Rent Payable- capped at Discount to Market Rent	\$558

As the income-based rent is lower than the discount to market rent, Mick's final rent will be charged is \$344.00 per fortnight.

Case Study 4:

Kerry and Steve live together with 3 young children in a 4-bedroom house in Albany. The family's cash assets are within the eligibility limits set by the Housing Authority; however, their assessable household income falls within Band B limits.

This makes them assessed as a Band B household for rent setting purposes. Their home has been assessed with a discount to market rent of \$898.00 per fortnight.

This means their rent will either be 30% of assessable household income plus 100% of Commonwealth Rent Assistance, or the discount to market rent for that property- whichever is lower.

Kerry and Steve's income-based rent assessment is calculated as follows:

Income	Amount per fortnight
Net wages (Steve)	\$1,640.00
Parenting Payment Partnered (Kerry)	\$480.00
Pension Supplements/ Benefits	\$46.00
Family Tax Benefit (Part A and B)	\$700.00
Total Household Assessable Income	\$2,966.00
Basic Rent (25% of Assessable Income)	\$859.80
Plus 100% of Commonwealth Rent Assistance	\$260.00
Income Based Rent Assessment	\$1,119.80
Rent Payable- capped at Discount to Market Rent	\$898.00

As the discount to market rent is lower than the income-based rent assessment, Kerry and Steve's final rent they will be charged is \$898.00 per fortnight.

Case Study 5

Hudson is a single man living on his own, in a 1-bedroom unit in Albany

Hudson's household income and cash assets are within the Band A eligibility limits set by the Housing Authority making him a Band A household for rent setting purposes. His home has been assessed with a discount to market rent of \$338.00 per fortnight.

This means his rent will either be 25% of assessable household income plus 100% of Commonwealth Rent Assistance, or the discount to market rent for that property- whichever is lower.

Hudson's income-based rent assessment is calculated as follows:

Income	Amount per fortnight
Age Pension	\$1,051.30
Pension Supplements/ Benefits	\$97.70
Total Household Assessable Income	\$1,149.00
Basic Rent (25% of Assessable Income)	\$278.25
Plus 100% of Commonwealth Rent Assistance	\$141.30
Income Based Rent Assessment	\$428.55
Rent Payable- capped at Discount to Market Rent	\$338.00

As the discount to market rent is lower than the income-based rent assessment, Hudson's final rent will be charged is \$338.00 per fortnight.