



## How we set your rent

This information sheet explains how we decide how much rent to charge our tenants.

### Band A and Band B

Tenants will fall into two groups depending on the income of their household.

If a tenant is considered to be on a very low income they will be eligible for public housing and belong to Band A.

If a tenant is not eligible for public housing they may still be eligible for Community Housing and they will belong to Band B.

For current income limits, go to [www.housing.wa.gov.au](http://www.housing.wa.gov.au) and search for the Community Housing and Assets Limits Policy.

### How we work out your rent

Generally, the amount of rent Stellar Living charges in rent will depend on your household income and may be influenced by the market rent.

If you are a Band A household you will usually pay rent of up to 25% of your gross income and the gross income of everyone who lives with you, plus any Commonwealth Rent Assistance (CRA) you may be eligible to receive.

If you are a Band B household, you will usually pay rent of up to 30% of the household's gross income plus any CRA you may be eligible to receive.

Gross income is the amount of money you receive before tax is deducted.

We will never charge you more rent than the maximum rent for that property. Maximum rent is 74.99% of the market rent.

The market rent is the amount your property could cost to rent in the open market. Stellar Living uses figures set by the Australian Taxation Office (ATO) or a rent valuation figure +/-CPI.

### Information you need to provide.

To work out your rent we need to know who lives in your house, and how much income each person receives. We ask you to fill in a Household Declaration and Eligibility form and to send in documents that tell us the full income of you and everyone who lives with you. This could be payslips and statements from Centrelink.

### The Household Declaration and Eligibility form

This is an important document that we need to work out your rent. It should tell us:

- ✦ who lives with you and who may be contributing to your household income
- ✦ that you are eligible for housing based on your income and assets
- ✦ that the property is the right size for everyone who lives with you.

We can only work out your rent if we have all your details. If we don't have this information you may end up having to pay the maximum rent for the property while we confirm that you continue to be eligible for the property. Non return of documents may put your tenancy at risk.

## The income we use to set your rent

We do not use all income types when working out your rent. The income that we use is regular, ongoing and provided to meet the general costs of living. Some examples of income that we use are as followed:

- ✦ Age Pension, Carer Payment, Disability Support Pension, Newstart Allowance, Parenting Payment, Service Pension from Veterans' Affairs, Widow Allowance, Youth Allowance, Abstudy and Austudy
- ✦ Family Tax A and B, child support payments, business income, income from investments and foreign pensions
- ✦ Wages
- ✦ Any other earned or unearned income

If you receive a pension from Veterans' Affairs we need a full statement of income and assets. It is important to explain this when asking for paperwork because different document is provided for Housing Authority tenants.

You can give us your permission to contact the Department of Veterans' Affairs on your behalf and ask them to send you the correct paperwork.

By signing a Centrelink Multiple Consent form you can also give permission for Stellar Living to access your statement from Centrelink directly.

## Commonwealth Rent Assistance (CRA)

It is important to note that CRA is not considered income. However, 100% of CRA that you are eligible for is added to the percentage of your income to form your rent. To help you understand this, here is an example of how we treat your CRA when working out your rent.

Band A assessable income example = \$620.40 a fortnight

CRA = \$95.70 a fortnight

Calculation: 25% of \$620.40 = \$155.10

$\$155.10 + \$95.70 = \$250.80$  Fortnight rent

## Changes to your rent

We generally plan to assess your rent every twelve months on the anniversary of your last rent change or when you household income changes. If there is a change in your income or the people who live with you, tell your Property Officer immediately so that we can adjust your rent. If your rent is reduced, it will apply from the very next rent charge.

If you need to know more, please contact your Property Officer, who will be happy to help you.