



Family &
Community Services
Housing NSW

Community Housing Rent Policy



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1. Introduction

Housing NSW through the NSW Land and Housing Corporation (the Corporation) provides assistance to community housing providers to supply subsidised rental accommodation to people on very low to moderate incomes and people with additional needs in NSW. Specifically assistance is provided for the following types of accommodation: social housing, affordable housing, co-operative housing, transitional housing and crisis accommodation.

Community housing providers that receive assistance are required to manage the housing in accordance with policy guidance set by Housing NSW. Community housing providers are also required to maintain registration under the *Housing Act 2001* in order to continue to receive assistance from the Corporation.

2. Purpose of this Policy

The Community Housing Rent Policy sets out the NSW Government's requirements for rent policies operated by community housing providers in NSW.

If a community housing provider fails to comply with this Policy it is cause for a review of their registration status under the *Housing Act 2001*.

3. Coverage of this Policy

The Policy applies to properties governed by a community housing agreement between the Corporation and a community housing provider for the provision of subsidised rental accommodation.

However, the Policy does not apply to properties managed by community housing providers through agreements with the Housing Services Division of Housing NSW.

4. General Requirements

Fee & Rent Setting

Community housing providers must have a service fee or rent setting policy in place that ensures affordable outcomes for residents and tenants. That is the fee or rent is priced so that resident and tenant households are able to meet other essential basic living costs.

Rental Bonds

The requirement for a resident or tenant to pay a rental bond is determined at the discretion of each community housing provider. If the payment of a bond is required, this should not place an unreasonable affordability burden on residents or tenants.

Right of Appeal

Community housing providers must have an appropriate process in place to manage appeals from residents and tenants in relation to fee or rent determination. This must include a process to advise tenants about their right to appeal, what can be appealed and how to lodge an appeal.

Selected community housing providers are required to have an appeals system that allows tenants to request an independent review of an appeal by the Housing Appeals Committee.

Confidentiality

Community housing providers must ensure that all confidential and sensitive business information and records are kept secure and protected from any unauthorised access or use. Community housing providers must not release any confidential or sensitive information to a third party without the prior written consent or approval of the affected person or agency that owns the information.

Privacy

Community housing providers must protect the personal information and privacy of residents, tenants and household members. Community housing providers must ensure that any personal and/or health information is not collected, used, stored or disclosed other than for the proper purposes of these services. Personal information and/or health information must not be released to or exchanged with an unauthorised third party unless with the informed consent of the person affected or this is lawfully authorised or required.

5. Specific Requirements for Social Housing, Transitional Housing & Co-operative Housing

This section applies to social housing, transitional housing and co-operative housing:

5.1 Entitlement to Rent Subsidies

Market rent is the maximum rent payable for each property. Tenants who cannot afford market rent can apply for a rent subsidy. The rent subsidy is the difference between the rent paid by the tenant and the market rent.

5.2 Determining Market Rent

To establish market rent, community housing providers must use rent data, relevant to the type and location of the property, published quarterly in the Rent and Sales Report by Housing NSW.

Where it is known that the actual market rent in a location differs markedly and is lower than the market rent data in the Rent and Sales Report, and where tenants paying market rent would be adversely affected, community housing providers can vary the market rent to take local conditions into account. In varying market rents community housing providers must have appropriate documented evidence to support their decision.

5.3 Determining Subsidised Rent

If a tenant is entitled to a rent subsidy, the proportion of income paid by the tenant as rent is determined by a set of rules which defines:

- the types of income which are assessed for rent setting purposes; and
- the percentage of each income type that is paid in rent.

Community housing providers must determine the subsidised rent of all new tenancies based on a percentage of the assessable household income plus 100 percent of the household's entitlement to Commonwealth Rent Assistance. This is subject to the qualification that the subsidised rent must not exceed market rent.

Selected community housing providers must also determine the subsidised rent of all existing tenancies based on a percentage of the assessable household income plus 100 percent of the household's entitlement to Commonwealth Rent Assistance. These community housing providers have been advised in writing by Housing NSW.

The following table shows the percentage of income payable by different members of a household:

Assessment Rate	Tenant/Other household member
25%*	The tenant, their spouse or live-in partner, irrespective of their age.
	All other persons living in the household who are aged 21 years or over.
15%	People living in the household aged 18 to 20 years inclusive who are not the tenant, their spouse or live-in partner.
15%	Family Tax Benefit Part A & B
Nil	Persons living in the household aged under 18 years who are not the tenant, their spouse or live in partner are not assessed for rent-setting purposes.

*This rate may differ in prescribed circumstances, for example some programs specify differential rents at 25 percent, 27 percent or 30 percent of income assessed.

Assessable household income is any income that is included in the calculation of a tenant household's rent payment under this Policy. The treatment of assessable and non-assessable income is shown in Appendix 2.

Tenant is defined as the person or persons that signed the residential tenancy agreement with the community housing provider.

Household members are all people living in the accommodation, regardless of age or relationship.

Proof of Income

To determine the eligibility of a tenant for a rent subsidy, community housing providers must require proof of income for the tenant, their spouse/live in partner (even if they are under 18 years) and other household members aged 18 years or over. A guide to acceptable forms of proof of income is set out in Appendix 1.

5.4 Rent Reviews

Community housing providers must regularly review the level of rent paid by a tenant to:

- Determine, if a rent subsidy is applied, whether the tenant remains eligible for a subsidy (at least every 6 months); and/or
- Recalculate the level of rent paid in accordance with the requirements set out below (at least every 6 months for subsidised rent and annually for market rent).

Community housing providers must immediately reassess the rent level for a tenant following notification that the household income has changed.

6. Specific Requirements for Affordable Housing

This section applies to affordable housing:

6.1 Compliance with NSW Affordable Housing Guidelines

The level of rent set for affordable housing must be in keeping with the requirements of the *NSW Affordable Housing Guidelines*.

6.2 Approach to Rent Setting

Community housing providers may use different approaches to determine the rent for affordable housing including income based rents, rents related to the average income level of a target group or rent levels which are a discount to the local market.

Regardless of approach, households on very low and low incomes must not pay more than 30 percent of their income in rent. Greater flexibility in pricing may be applied to moderate income households but in all cases, the relevant circumstances of the applicant household¹ and their capacity to pay must be guiding principles.

For purposes of assessing affordability, the rent to (household) income ratio will be defined as rent net of Commonwealth Rent Assistance (CRA) over income net of CRA.

¹ For example, relevant circumstances might include benefit to the client accessing housing closer to their work that reduces their outlays for travel.

7. Glossary

Affordable Housing

Subsidised rental accommodation for people on a very low, low or moderate income managed in accordance the NSW Affordable Housing Guidelines.

Community Housing Provider

An organisation that receives assistance from the NSW Land and Housing Corporation to provide housing for people on very low, low and moderate incomes and people with additional needs.

Community Housing Agreement

Any contractual arrangement between the NSW Land and Housing Corporation and a registered community housing provider setting out the terms and conditions of assistance provided to a community housing provider to supply community housing.

Co-operative Housing

A specific model of community housing management based on mixed income eligibility, tenant management and co-operative principles.

Crisis Accommodation

Short term accommodation (generally three months or less) for people that are experiencing homelessness or people who are at risk of homelessness.

Income Bands

The *Housing Regulation 2009* defines very low, low and moderate incomes as:

- **Very low:** Less than 50 percent of the median household income for Sydney or the rest of NSW, as applicable.
- **Low:** Between 50 and 80 percent of the median household income for Sydney or the rest of NSW, as applicable.
- **Moderate:** Between 80 and 120 percent of the median household income for Sydney or the rest of NSW, as applicable.

Social Housing

Subsidised rental accommodation for people on a very low or low income that meet the required eligibility criteria.

Transitional Housing

Short term accommodation (generally from three to eighteen months) for people exiting or transitioning from crisis accommodation.

Proof of Income

Each tenant is responsible for collecting the income details of household members and providing these details to the housing provider so that their rent can be assessed. When applying for a rent subsidy a tenant must declare all assessable income and provide proof of the amount received by their spouse/partner and each other member of their household aged 18 years and over.

Proof of income must be original and can be:

- Provided through the Income Confirmation Scheme for Centrelink pensions and allowances.
- Income Statement from Centrelink.
- Income Statement from the Department of Veterans' Affairs.
- Payslip, letter or statement from the employer detailing gross wage, applicable tax, deductions, pay period, and payee details for salary or wages.
- Profit and loss statement completed by an accountant or taxation return for self employed clients.
- Letter or statement from an Overseas Government detailing the amount received.
- Letter or statement from WorkCover or Insurance Company detailing the amount received.
- Letter or statement from investment organisation about savings/investments etc. providing details of the amount or dividend received.
- Letter from another organisation or income provider (not listed above) detailing the amount and type of income received.

The type of evidence must correspond to the type of income (e.g. Centrelink payment must be proven by a Centrelink Statement). Separate evidence must be presented for each type of income, (e.g. in households where one member received a Centrelink payment and another member receives a wage). Documents must not be more than one month old on the date they are submitted, with the exception of Tax Returns which must not be more than 13 months old.

Tenants who fail to supply income details by the due date for return of the required information will not be eligible for a rent subsidy and they will be required to pay market rent.

Appendix 2

Assessable and Non-Assessable Income Sources for Determining Tenant Rent Payments

Income	Assessable?
Abstudy	Yes
Abstudy Pensioner Education Supplement	No
Age Pension – paid by either Centrelink or Department of Veterans' Affairs	Yes
Assets	Yes.
<p>This includes any financial assets, such as money in financial institutions, winnings, money from inheritance, rollover funds etc.</p> <p>Real estate is included in assessment of assets in some circumstances – refer to Appendix 4.</p> <p>Items such as motor vehicles, caravans and boats are not included in assessment of assets.</p>	<p>The first \$5000 of each person's total amount of savings and financial assets is exempt from assessment for community housing eligibility and rent subsidy eligibility and calculation.</p> <p>Interest will be calculated at the deemed interest rate equivalent to Centrelink's lower deeming rate (refer to schedule of current Centrelink rates available at www.centrelink.gov.au). Interest will be deemed on the savings and asset balance after the first \$5,000 savings and asset exemption is allowed.</p>
Assistance for Isolated Children (AIC) Scheme – this includes the Boarding Allowance, Second Home Allowance, Distance Education Allowance and AIC Pensioner Education Supplement	No
Attendant Allowance – paid by Department of Veterans Affairs	No
Austudy	Yes
Allocated pensions and annuities including any income generated from Income Streams.	Yes – the income generated is assessable. However the lump sum or capital amount used to generate this payment is not assessed as savings or investments and is not included in the \$5000 savings and asset exemption.
Bereavement Allowance	No
(In instances where a tenant receives the couple rate of a pension with their partner, and one person dies, the surviving partner will continue to receive the couple rate for a period of 12 weeks after the death. During this period, the combined pension should be disregarded and the tenant's income assessed at the single rate)	
Bereavement Payments – paid by either Centrelink or Department of Veterans' Affairs	No
Car Allowance	No - this is treated the same as Travel and Sustenance allowance and should be excluded as income
Carer Allowance (previously the Domiciliary Nursing Care Benefit)	No
Carer Payment	Yes

Income	Assessable?
Centrelink pensions and allowances	<p>Yes – pensions and allowances paid for income support are assessable.</p> <p>No – payments paid for a specific purpose</p>
<p>Chilean Pension of Mercy</p> <p>These payments are paid by the Chilean Government to compensate and repair the moral suffering of the victims and relatives of victims of human rights abuse or political violence that occurred in Chile between 11 September 1973 and 10 March 1990 under the Pinochet Regime.</p>	No
Clothing Allowance – paid by Department of Veterans' Affairs	No
<p>Community Development Employment Project (CDEP) payments.</p> <p>Indigenous community organisations are funded by the Department of Employment and Workplace Relations and the Torres Strait Regional Authority to run CDEPs in urban, rural and remote Aboriginal and Torres Strait Islander communities. CDEPs relate to each community's needs. Activities develop participant's work and employment skills. CDEPs also act as a stepping stone into the mainstream labour market.</p>	<p>Yes – CDEP payments are treated as non-statutory income.</p> <p>CDEP participants are paid wages from CDEP organisations. All CDEP income is assessable.</p>
<p>Community Development Employment Project Participant Supplement (CPS)</p> <p>CPS is additional assistance given by Centrelink to some CDEP participants.</p>	No
<p>Child Care Benefit (This is a specific payment to assist with the payment of child care fees.)</p>	No
<p>Child support payments, maintenance or maintenance in kind</p>	<p>Yes – if received by the tenant and household members.</p> <p>Where a resident parent continues to receive maintenance for a child who has reached adult age (18 years and over), this payment will continue to be considered as part of the assessable income of the resident parent. However this would change if the payment was paid directly into the account of the child. This individual's rent would then be assessed at 15% of income if the Child is under 21 years.</p> <p>Where a tenant disputes an Income Statement which has been provided by Centrelink that shows they are receiving maintenance, then the tenant should be encouraged to get a letter from the Child Support Agency confirming the child maintenance amount. When a tenant provides this letter the housing provider will reassess their rent subsidy without the maintenance or at the reduced maintenance payments and include the re-calculated amount of Family Tax Benefit Part A.</p> <p>If any person in the household pays child support or maintenance through the Child Support Agency these payments are not assessed as part of the household income.</p>

Income	Assessable?
Crisis Payment	No
Defence Force payments and allowances	Yes - excluding deferred pay.
Defence Force Income Support Allowance – paid by Department of Veterans' Affairs	Yes
Defence Force Reserve payments and allowances	Yes
Department of Veterans' Affairs pensions or allowances	Yes – basic rates and Veterans' Affairs Income Supplement. No – special allowances (e.g. recreation transport allowance or an attendant's or domestic allowance).
Disability Youth Supplement paid to clients who are under 21 years of age and receive a Disability Support Pension	No
Disability Pension or Disability Allowance paid by the Department of Veterans' Affairs, (also known as War Disability Pension or War Disability Allowance). This is paid to compensate veterans for injuries or diseases caused or aggravated by war service or certain defence service on behalf of Australia.	No - these payments are excluded as income for subsidy purposes. If the remaining income is less than the standard benefit rate, the assessment is based on the standard Centrelink rate. There are different rates of War Disability pensions. The rate is the scale of compensation that takes into account the medical impairment and lifestyle effects of a disability. None of these payments is included for rent assessment purposes. The general rate 1. The Special Rate includes totally and permanently incapacitated (T&PI) 2. Temporarily totally incapacitated (TTI) and blinded 3. The Intermediate Rate 4. Extreme Disablement Adjustment (EDA)
Disability Support Pension paid by Centrelink	Yes
Disaster Relief Payment	No
Distance Education Allowance	No
Dividends and/or earnings from a business	Yes
Domestic Allowance paid by the Department of Veterans' Affairs	No
Domiciliary Nursing Care Benefit	No. This payment has been replaced by the Carers Allowance
Double Orphan's Pension	No
Educational allowances paid for a secondary school student	No
Education Entry Payment	No
Employment Entry Payment	No
Family Tax Benefit Part A & B	Yes – if paid fortnightly from Centrelink or the Department of Veterans' Affairs. The assessment rate is 15%. No – if taken through the Taxation System or as a lump sum payment at the end of the financial year following the Family Assistance Office's FTB reconciliation process.

Income	Assessable?
Family Tax Benefit Part C (FTBC) (Child Care Benefit)	No – this is now the Child Care Benefit.
F-111 Deseal/Reseal Program ex-gratia lump sum payment. This payment is made in recognition of the special circumstances associated with Deseal/Reseal activities. It recognises that those who worked inside the F-111 fuel tanks for significant periods of time experienced greater concentrations of the chemicals and solvents associated with the F-111 Deseal/Reseal process.	No
Fares Allowance	No
Financial Supplement Loan	No
Firefighters – volunteer payments	Yes
Fostering and Boarding Out Allowance	No. This is now called Statutory Care Allowance and Supported Care Allowance.
Fringe Benefit Tax payments	Yes – if a person receives a fringe benefit such as car repayments, payment of school fees, but not limited to these types of payments, the value of the fringe benefit is included in the assessable income and it is added to the gross income.
Funeral Benefits – paid by the Department of Veterans' Affairs	No
GST Supplement or Component (This payment may also be referred to as the Pension Basic Supplement) Clients in receipt of Centrelink and Veterans Affairs pensions and allowances receive a Goods and Services Tax compensation payment.	No. Included in the Pension Supplement from September 2009.
Incentive Allowance paid to Disability Support Pensioners who used to receive the Sheltered Workshop Allowance	Yes
Income Streams	Yes – the income generated is assessable. However the lump sum or capital amount used to generate this payment is not assessed as savings or investments and is not included in the \$5,000 savings and asset exemption.
Income Support Supplement from the Department of Veteran's Affairs	Yes
Interest from savings or investments held by each member of a household in a bank or other financial institution.	Yes. The first \$5,000 of each person's total amount of savings and financial assets is exempt from assessment for public housing eligibility and rent subsidy eligibility and calculation. Interest will be calculated at the deemed interest rate equivalent to Centrelink's lower deeming rate (refer to schedule of current Centrelink rates available at www.centrelink.gov.au). Interest will be deemed on the savings and asset balance after the first \$5,000 savings and asset exemption is allowed.

Income	Assessable?
Investments	<p>Yes – investments that are not used to generate income streams such as allocated pensions or annuities are assessed in the same way as savings. These may include monies in rollover funds and income minimisation programs.</p> <p>The first \$5,000 of each person’s total amount of savings and financial assets will be exempt from assessment for public housing eligibility and rent subsidy eligibility and calculation.</p> <p>Interest will be calculated at the deemed interest rate equivalent to Centrelink’s lower deeming rate (refer to schedule of current Centrelink rates available at www.centrelink.gov.au). Interest will be deemed on the savings and asset balance after the first \$5,000 savings and asset exemption is allowed.</p>
Japanese Internment Act Payment	No
One-off payment of \$25,000 to Australian service personnel and civilians held as prisoners of war by the Japanese between 7 December 1941 and 29 October 1945, or their widows or widowers	
Jury attendance or court appearances	No. Payments for out of pocket expenses for jury attendance or court appearances are not assessed.
Jury Service	<p>Yes – if this is a wage or fee paid to jurors or expert witnesses or payments to cover wages or salary lost during the court sitting.</p> <p>No – if they are intended to cover out of pocket expenses</p>
Korean Internment Payment	No
One-off payment of \$25,000 to veterans who were interned by the North Korean military forces between 27 June 1950 and 19 April 1956, or their surviving partner	
Land	No – where a person in the household has an interest in a block of land it is not assessed.
Large Family Supplement	Yes. Assessed at 15% rate.
Legacy Allowances	No

Income	Assessable?
Lump Sum payments	<p>Yes if these are:</p> <p>General lump sum payments Lump sum payments such as winnings or inheritances are assessed in the same way as savings and assets.</p> <p>Lump sum payments and the Centrelink preclusion period Lump sum payments such as compensation payments which preclude a person from receiving a Centrelink payment for a period of time are assessed on the assumed Centrelink income. If the person is in this situation, they should obtain a letter from Centrelink stating the preclusion period.</p> <p>The person's assumed Centrelink income will be based on the payments they would be entitled to according to their age and household composition. This will normally be either Newstart or a pension. In these cases the lump sum payment should not be included in the rental subsidy assessment.</p> <p>This assessment rule applies even if the person has disposed of the lump sum payment and is not receiving a Centrelink payment.</p> <p>Lump sums paid in instalments Where a lump sum is received and paid over a period (i.e. in instalments) as compensation for living expenses, then this is assessed as income. The lump sum amount or capital amount used to generate this income payment is not assessed as savings or investments and is not included in the \$5000 savings and asset exemption.</p> <p>If this income is less than the Centrelink income the person would be entitled to receive for their age and household composition then the community housing provider will assess their income based on the relevant Centrelink pension or allowance that they would receive.</p> <p>If this income is more than the Centrelink rate then the rent subsidy may also be recalculated and may result in additional rent being charged.</p>
Maintenance Payments (see Child Support Payments)	<p>Yes – if received by the tenant or household member. Maintenance in kind (such as school fees paid by the non-custodial parent) is assessed as income for the resident parent.</p> <p>No – if tenant, partner or other household member pays regular maintenance as a non-resident parent (through the Child Support Agency) the payment is deducted from their income.</p> <p>Documentation of maintenance payments must be provided by resident and non-resident parents.</p>
Maternity Payment – this includes the Maternity allowance and Baby Bonus	No

Income	Assessable?
Mature Age Allowance	Yes
Mobility Allowance	No
Multiple Birth Allowance	No
New Enterprise Incentive Scheme (NEIS) Allowance	Yes
Newstart Allowance	Yes
No Income or Reduced Statutory Income	Yes
	<p>The rent subsidy application will be assessed based on the statutory allowance the tenant or other adult household members would normally receive when:</p> <ul style="list-style-type: none"> • The tenant or adult household member has chosen not to apply for a statutory income to which they are entitled; • The tenant or adult household member is not eligible to receive statutory income; • The tenant or adult household member is receiving a reduced statutory income and has no income from any other sources. <p>A minimum rent may be applied in exceptional circumstances and in cases of hardship.</p>
Overseas pensions or benefits (paid by an overseas government)	Yes
Overseas Restitution Payment - a specific payment by the German or Swiss or Austrian governments	No
Parenting Payment	Yes
Partner Allowance	Yes
Pension Supplement – paid by either Centrelink or Department of Veterans Affairs.	No.
Pension Bonus Scheme – paid by either Centrelink or Department of Veterans Affairs – is designed to encourage people to remain in the workforce longer by offering a bonus to eligible people who wish to keep working beyond pension age.	No
Pensioner Education Supplement	No
Pharmaceutical Allowance	No.
Remote Area Allowance – paid by either Centrelink or Department of Veterans' Affairs	No
Rent Assistance (also referred to as Commonwealth Rent Assistance [CRA])	Yes
Salary	Yes
Salary Sacrifice, these amounts are added to the stated gross income	Yes – if a person accepts salary sacrifice in lieu of part of their salary then the salary sacrifice amount will be included as part of their gross income. Any salary sacrifice amount should be added to the gross income and be assessed.

Income	Assessable?
Savings	<p>Yes.</p> <p>The first \$5,000 of each person's total amount of savings and financial assets will be exempt from assessment for public housing eligibility, and rent subsidy eligibility and calculation.</p> <p>Interest will be calculated at the deemed interest rate equivalent to Centrelink's lower deeming rate (refer to schedule of current Centrelink rates available at www.centrelink.gov.au). Interest will be deemed on the savings and asset balance after the first \$5,000 savings and asset exemption is allowed.</p>
Scholarships, prizes and grants	<p>Yes – living component including accommodation expenses No – components other than living.</p> <p>There are a wide-ranging number of scholarships prizes and grants awarded by the Commonwealth government, universities and schools. The type and purpose of each scholarship will determine how it is treated for rent assessment purposes.</p>
Self-Employed Persons	See Attachment 1
Service Pension (also known as War Service Pension) paid by Department of Veterans' Affairs	Yes
Shares	<p>Yes – the dividend received is assessed as income. The value of the share is not assessed.</p>
Sickness Allowance	Yes
Special Benefit	Yes
Statutory Care Allowance	No
Study grants including scholarships and allowances	<p>Yes - living component including accommodation expenses. No - component other than living</p> <p>There are a wide-ranging number of scholarships prizes and grants awarded by the Commonwealth government, universities and schools. The type and purpose of each scholarship will determine how it is treated for rent assessment purposes.</p>

Income	Assessable?
Superannuation	<p data-bbox="831 340 874 367">Yes.</p> <p data-bbox="831 405 1458 555">Superannuation funds include accessible or non-preserved funds and non-accessible or preserved funds. Preserved funds do not allow the investor to withdraw from the funds until they reach retirement age, while non-preserved funds can be withdrawn at any time.</p> <p data-bbox="831 589 1345 616">Superannuation funds received at retirement age</p> <p data-bbox="831 618 1458 734">If a person retires and receives a lump sum superannuation payment which is then invested to generate an income stream, such as an allocated pension or annuity then this is assessed as income.</p> <p data-bbox="831 770 1458 860">The lump sum or capital amount used to generate this payment is not assessed as savings or investments and is not included in the \$5,000 savings and asset exemption.</p> <p data-bbox="831 893 1458 1043">If a person retires and receives a lump sum superannuation payment, which is not invested in an income stream product, this amount is assessed as savings. Interest is calculated on the person's total amount of savings and assets after the \$5,000 savings and asset exemption is allowed.</p> <p data-bbox="831 1077 1310 1104">Superannuation funds not taken at retirement</p> <p data-bbox="831 1106 1458 1256">Where a person retires but has chosen not to access their superannuation funds, the total amount of their superannuation funds is included in the person's savings and assets amount. Interest is to be calculated on the total amount of savings and assets after the \$5000 savings and asset exemption is allowed.</p> <p data-bbox="831 1290 1366 1346">Where superannuation funds are accessible before retirement</p> <p data-bbox="831 1348 1458 1500">Where a person has withdrawn superannuation funds before retirement age, this is assessed as savings and is included in the person's savings and assets amount. Interest is to be calculated on the total amount of savings and assets after the \$5,000 savings and asset exemption is allowed.</p> <p data-bbox="831 1534 1458 1592">Any amount remaining in the superannuation scheme is to be excluded from assessment.</p> <p data-bbox="831 1626 1445 1682">Where superannuation funds are not accessible preserved funds before retirement</p> <p data-bbox="831 1684 1458 1774">Where it is confirmed that the superannuation funds are non-realizable preserved funds, these funds are not assessed as savings or assets for rent subsidy eligibility or calculation.</p>
Supported Care Allowance	No
Telephone Allowance – paid by either Centrelink or the Department of Veterans' Affairs	No

Income	Assessable?
<p>Travel and Sustenance Allowance</p>	<p>No as it is paid by employers to compensate staff for expenses reasonably and necessarily incurred in travelling on official business and in performing specific duties at a temporary work location.</p> <p>Circumstances covered by travel and sustenance allowance are those in which:</p> <p>Employees are required to reside temporarily in hotels, motels, boarding houses, or to camp.</p> <p>Employees are required to undertake journeys not requiring temporary residence.</p> <p>The key feature of this type of allowance (and the reason it is exempt from inclusion in the tenant's income) is that it is paid as reimbursement for expenses incurred.</p>
<p>Utilities Allowance – paid to eligible pensioners by either Department of Veterans' Affairs or Centrelink</p>	<p>No.</p>
<p>Veterans' Children Education Scheme This scheme provides financial assistance to eligible students up to 25 years of age.</p>	<p>Yes</p>
<p>Wages – gross weekly wage</p>	<p>Yes.</p> <p>Where the person receives a regular wage or salary then current weekly gross amount is used. Verified by salary/wages form.</p> <p>For fluctuating incomes or casual wages, a manually calculated weekly gross amount will be used as a better predictor for future weekly income received for the person.</p> <p>Fringe Benefits and Salary Sacrifice are added to the gross income and included in the rent subsidy assessment.</p>
<p>War Disability Allowance or War Disability Pension paid by the Department of Veterans' Affairs.</p> <p>This is paid to compensate veterans for injuries or diseases caused or aggravated by war service or certain defence service on behalf of Australia.</p>	<p>No – these payments are excluded as income for subsidy purposes. If the remaining income is less than the standard benefit rate, the assessment is based on the standard Centrelink rate.</p> <p>There are different rates of War Disability pensions The rate is the scale of compensation that take into account the medical impairment and life style effects of a disability. None of these payments are included for rent assessment purposes.</p> <p>The General Rate</p> <ol style="list-style-type: none"> 1. The Special Rate includes Totally and Permanently Incapacitated (T&PI) 2. Temporarily Totally Incapacitated (TTI), and blinded. 3. The Intermediate Rate 4. Extreme Disablement Adjustment (EDA).
<p>War Service Pension (also known as Service Pension)</p>	<p>Yes</p>

Income	Assessable?
War widows and War Widowers Pension	Yes
Widow Allowance	Yes
Widow B Pension	Yes
Wife Pension	Yes
Work for the Dole	No
WorkCover payments	Yes
Working Credits is a Centrelink Scheme where the client continues to receive their Centrelink payment in addition to wages as an incentive to work.	Yes – both payments are assessed.
Youth Allowance	Yes

Assessing Income of Self Employed Persons

The assessable income of self-employed tenants and household members is determined by taking the gross income less the business deductions allowable for community housing rent setting purposes.

Allowable deductions expenses are classed as any expense essential for producing an income. Some items may be allowable as tax deductions, but are not considered to be legitimate business expenses. These are presented in the table below.

The tenant or household member will need to provide proof of income in the form of the most recent profit and loss statement from an accountant or a tax return (not a tax assessment notice as ATO allowable expenses could be different). If when the tenant or household member's income is calculated it results in the income being below the standard rate of Newstart then the tenant or household member's income will be assessed at the Newstart rate.

Rent reassessments should be conducted if a tenant's household income has changed drastically between assessment periods. Retrospective adjustments can be allowed if over/under estimation is substantiated.

Table: Allowable Deductions for Self-Employed Persons

Item	Deductible
Accountancy fees	No
Advertising	Yes
Bank fees	No
Bookkeeping fees	No
Capital expenditure	No
Course costs and staff training	No
Depreciation	Yes
Domestic expenses (such as telephone, electricity and gas)	No
Drawings	No
Dry cleaning and laundry	No
Electricity	Domestic – No Non-domestic – Yes
Equipment and lease of equipment	Yes
Gas	Domestic – No Non-domestic – Yes
Gifts or donations	No
Goods to be sold	Yes
Insurance fees	Yes
Interest component of a loan repayment	Yes

Item	Deductible
Laundry and dry cleaning	No
Legal fees	No
Licenses	If essential for the business – Yes. If not essential for the business – No.
Loan repayments	Interest component – Yes Principal component - No
Magazines and books	No
Materials	Yes
Medicare levies	No
Motor vehicle expenses	If essential for the business – Yes If not essential for the business – No
NRMA fees	No
Personal expenses	No
Postage	Yes
Principal component of loan repayments	No
Protective clothing and uniforms	No
Public risk insurance	Yes
Rent	Department of Housing dwelling – No Residential Premises- No Commercial premises – Yes
Repairs	Yes
Salary and wages	Employees – Yes For the owner of the business – No
Stationery	Yes
Subscriptions	No
Superannuation levy for employees	Yes
Taxation levies	No
Telephone	Domestic – No Non-domestic – Yes
Tools	Yes
Training for staff and course costs	No
Travel	Yes
Uniforms and protective clothing	No
Wages	Employees – Yes For the owner of the business – No

Ownership of Property

Under the Community Housing Eligibility Policy, a person who owns a property which could reasonably be expected to resolve their housing need will not be eligible to receive community housing.

For current community housing tenant households, the following applies in the rent subsidy assessment.

	50% or more share in a property	Less than 50% share in property	Interest in a block of land
Tenant	Not eligible for rent subsidy ¹ - market rent applies	Eligible for rent subsidy ²	Eligible for rent subsidy
Tenant's spouse/partner			
Other household member	Eligible for rent subsidy ²		

¹Exemption to this could occur if the property is:

- in an isolated location;
- an extremely run-down dwelling,
- overseas,
- tied up in a legal dispute; or

if the tenant is unable to live in the property because of reasons beyond their control such as risk of violence or being unable to access necessary support services.

²The value of the property is included in assessment of the household's assets and this will be proportional to the share in the property. However if income is derived from the property, rent subsidy assessment should be based on the income rather than the value of the property.



Housing NSW
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