

# Rent Setting Policy (HCAL)

Operations Victoria  
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## PURPOSE

The purpose of this policy is to outline how rents are set and income/rent rebate reviews are completed in social housing for properties owned and managed by Housing Choices Australia Limited (HCAL) in Victoria.

## SCOPE

This policy applies to all social housing tenancies owned and managed by HCAL in Victoria. This policy does not include rent setting for specialist disability accommodation owned and managed by HCAL.

## DEFINITIONS

### Commonwealth Rent Assistance

A regular extra payment if you pay rent and get certain payments from the Australian Government.

<https://www.dss.gov.au/housing-support/programmes-services/commonwealth-rent-assistance>

### Gross Household Income

Means the total household income assessed in accordance with the Department of Families, Fairness and Housing (DFFH) affordability Rent Setting and Operational Guidelines. Click the link for further information [Rent Setting and Operational Guidelines](#).

HCAL considers the income and assets of the Resident/s and their household members aged 18 and over.

### DFFH affordability benchmarks

The Department of Families, Fairness and Housing Services sets rent affordability benchmarks in Victoria consistent with their [Rent Setting and Operational Guidelines](#).

<https://www.dhhs.vic.gov.au/publications/rental-report>

<b>Discounted Market Rent</b>	Market Rent assessed and capped at 74.99% of the weekly Market Rent.
<b>Income Based Rent</b>	Income based rent is set at 25% to 30% of Gross Household Assessable Income
<b>Market Rent</b>	Refers to the amount of rent per week the property could achieve if rented on the private residential rental market
<b>Resident</b>	Refers to a person/s renting a property. Renter is the term that applies to residents under the Residential Tenancies Act (Act). Tenant is the term used under the Housing Act. The term Renters is used in HCAL Leases and other forms as required by the Act.
<b>Rent</b>	Is set as the market rent for an individual property. This is the amount of rent charged and is the same as if the property was in the private rental market.
<b>Rent Payable</b>	Is the dollar amount which will be charged to the Resident each week.
<b>Rental Rebate</b>	Is the dollar amount of rebate, or discount to rent, that HCAL applies. This assists us to ensure that our housing is affordable to people on very low to moderate incomes.
<b>Rental Rebate Application</b>	Is the application residents are required to submit to HCAL so a rental rebate can be calculated. For HCAL to be able to assess the amount of rental rebate a resident is entitled to residents need to submit a Confirmation of Household Members Form and Household Income Form with income evidence requirements.
<b>Social Housing</b>	Is short and long term rental housing that is owned or managed by HCAL used for the purpose of social housing and available to eligible persons. The income eligibility to access social housing is determined by the Victorian Government.

## POLICY STATEMENT

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### POLICY PRINCIPLES

Housing Choices Australia Limited [HCAL] sets rents and determines rental rebates for residents in social housing properties owned and managed by HCAL, to ensure that our housing is affordable for people on low to moderate incomes and;

- is fair and transparent in setting rent and determining rental rebates with established affordability benchmarks;
- we communicate clearly to applicants and residents as to how HCAL sets and reviews rents, reviews income and determines rental rebates;
- is compliant with contractual, legal and regulatory obligations relating to affordability of rent;
- is in accordance with the Residential Tenancy Act 1997 (Vic), and
- enables HCAL to meet our financial obligations and maintain our financial viability to continue to provide affordable homes.

#### DETERMINING THE MARKET RENT (reviewed annually)

Market Rent for a property is reviewed annually and can be assessed by obtaining independent property valuations, conducting Rental Comparative Market Analysis reports, using ATO Long-Term Benchmark Accommodation Tables or by using data obtained from the Office of Housing Rental Report. This amount forms the basis of calculating the discounted market rent for social housing properties owned and managed by HCAL.

#### DETERMINING RENTAL REBATES BASED ON HOUSEHOLD INCOME (reviewed every 6 months)

HCAL's income-based rent is based on 25% or 30% of a household's gross income. The percentage applied is determined by the program obligations of the

HCAL will advise applicants of the percentage of household income to be assessed at the time of an offer of housing being made. HCAL also reminds residents of the percentage of household income to be assessed during income/rebate reviews.

HCAL considers the income and assets of the Resident and their household members aged 18 and over. This includes entitlement to Commonwealth Rent Assistance (CRA). The rental rebate is calculated as the dollar amount of difference between market rent and percentage of an individual or household income plus Commonwealth Rent Assistance. HCAL refers to the [Department of Health and Human Services Rent Setting and Operational Guidelines: Assessable Income](#) to determine:

- income types and assets assessed;
- information required to complete an assessment.

#### Rebate/Income REVIEWS

HCAL will provide clear information to residents on how their rent, rent rebate and rent payable has been determined and inform residents of their right to have their rental calculation reviewed:

- at the start of the residency/tenancy
- at regular intervals during the residency/tenancy (six monthly)
- on request (if a significant change to household income occurs)

At the time of the Income Review, HCAL will write to residents informing them of the initiation of the review process. In line with the Residential Tenancies Act 1997, a letter, including a Notice of Rent Increase to the Market Rent (if applicable) will be issued for each property annually.

Residents will be given 14 days to return their Rent Rebate Application and relevant required household income information. If a resident fails to return their application and required documents by the due date, HCAL may cancel the Rent Rebate and determine whether to charge the full market rent for the property.

## RESPONSIBILITIES

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It is the responsibility of all staff involved in the tasks associated with this policy to ensure that HCAL complies with this policy. The Manager, Rental Compliance is responsible for the maintenance of this policy.

## SCHEDULED REVIEW

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This policy will be reviewed every three years or in response to legislative or regulatory changes. HCAL may from time to time implement changes to this policy. The revised policy will apply to all tenancies within the scope of the policy.

## REFERENCE TO STANDARDS & LEGISLATION

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### LEGISLATION & STANDARDS

LEGISLATION	STANDARDS, POLICIES AND GUIDELINES
Housing Act 1983 (VIC) 1983	Performance Outcome 1 (Tenant and housing services)
Residential Tenancies Act (VIC) 1997	Related Documents
	<ul style="list-style-type: none"><li>• <a href="#">Complaints and Appeals Policy</a></li><li>• </li></ul>



#### English:

If you need an interpreter, please call TIS National on 131 450 and ask them to call **HCA** on **1300 312 447**. Our business hours are **9am to 5pm, Monday to Friday**.

You can also visit the TIS National website for translated information about the service TIS National provides. Visit: [www.tisnational.gov.au](http://www.tisnational.gov.au)

#### Arabic:

إذا كنت بحاجة إلى مترجم، يرجى الاتصال بـ TIS الوطنية على الرقم 131 450 وأطلب منهم الاتصال بنا على HCA 1300 312 447. ساعات العمل الخاصة بنا 9am to 5pm, Monday to Friday.

يمكنك أيضا زيارة موقع TIS الوطنية للحصول على معلومات حول الخدمات التي تقدمها TIS الوطنية. قم بزيارة: [www.tisnational.gov.au](http://www.tisnational.gov.au)

#### Farsi (alt Persian):

اگر به مترجم نیاز دارید، لطفاً با شماره تلفن تی‌سی‌ان نشنال 131 450 تماس بگیرید و از آنها بخواهید با HCA به شماره 1300 312 447 تماس بگیرند. ساعت کاری ما 9am to 5pm, Monday to Friday است.

شما همچنین می‌توانید به وب سایت تی‌سی‌ان نشنال برای اطلاعات در مورد خدماتی که تی‌سی‌ان نشنال فراهم می‌کند مراجعه کنید. به [www.tisnational.gov.au](http://www.tisnational.gov.au)

#### Vietnamese:

Nếu quý vị cần thông dịch viên, xin hãy gọi cho Dịch vụ Thông Phiên dịch Quốc gia (TIS Quốc gia) theo số 131 450 và yêu cầu họ gọi cho **HCA** theo số **1300 312 447**. Giờ làm việc của chúng tôi là **9am to 5pm, Monday to Friday**.

Quý vị cũng có thể vào thăm trang mạng của TIS Quốc gia để có thông tin về các dịch vụ mà TIS Quốc gia cung cấp. Hãy vào thăm [www.tisnational.gov.au](http://www.tisnational.gov.au)

#### Somali:

Haddii aad u baahan tahay turjumaan, fadlan ka wac TIS National taleefanka 131 450 waxaad ka codsataa inay kuu wacaan **HCA** iyo **1300 312 447**. Saacadaha Shaqadu waa **9am to 5pm, Monday to Friday**.

Waxaad kaloo booqan kartaa website-ka TIS National ee macluumaadka turjuman oo ku saabsan adeegga TIS National ay bixiso. Ka eeg: [www.tisnational.gov.au](http://www.tisnational.gov.au)

#### Simplified Chinese:

如果您需要口译员，请拨打TIS National 的电话131 450，请他们打电话给HCA电话号码：**1300 312 447**。我们的营业时间是**9am to 5pm, Monday to Friday**。

你也可以访问TIS National 的网站，了解TIS National提供的服务。网址：[www.tisnational.gov.au](http://www.tisnational.gov.au)

#### Traditional Chinese:

若你需要口譯員，請撥打TIS National電話131 450並請他們轉接 HCA 的電話 **1300 312 447**。我們的工作時間是 **9am to 5pm, Monday to Friday**。

你也可以瀏覽TIS National 網站瞭解TIS National 的服務資訊，網址：[www.tisnational.gov.au](http://www.tisnational.gov.au)

#### Spanish:

Si necesita un intérprete, por favor llame a TIS National en el 131 450 y pida que lo comuniquen con **HCA** en el **1300 312 447**. Nuestro horario de oficina es **9am to 5pm, Monday to Friday**.

También puede visitar el sitio web de TIS National para obtener información acerca de los servicios que provee TIS National. Visite [www.tisnational.gov.au](http://www.tisnational.gov.au)

#### Italian:

Se hai bisogno di un interprete, telefona a TIS National al numero 131 450 e chiedi di chiamare **HCA**

Puoi visitare anche il sito web TIS National per informazioni tradotte sul servizio che TIS National fornisce. Visita il sito: [www.tisnational.gov.au](http://www.tisnational.gov.au)

**For other languages, access to an interpreter is available by contacting HCA on 1300 312 447.**