

RENT SETTING POLICY AND PROCEDURE



Policy Statement

This policy explains how Pathways SouthWest assesses and reviews tenant rents. It also covers the responsibilities our tenants have and gives details of the support we offer.

Scope

This policy applies to all potential tenants or tenants whom occupy a Pathways SouthWest property. The Management Team own this policy.

Definitions

- **Applicant:** means a person applying for accommodation in a Pathways SouthWest property
- **Assessable Income:** is the continuous or regular income of all household members over the age of 16. Household members include but are not limited to the tenant of the property.
- **Band A:** describes tenants and applicants whose assessable income is within the public housing income limits. These income limits are set out in the Community Housing Income and Asset Limits Policy.
- **Band B:** describes tenants and applicants whose assessable Income is over the public housing income limits but within community housing income limits. These income limits are set out in the Community Housing Income and Asset Limits Policy.
- **Commonwealth Rent Assistance (CRA):** is a non-taxable supplement Centrelink pays to people who are eligible to help them pay their rent.
- **Market Rent:** is the amount of rent that can be expected for the use of a property, in comparison with similar properties in the same area.
- **Household Member:** means a person living in a Pathways SouthWest Property, who has not signed a residential tenancy agreement with Pathways SouthWest.
- **Property:** means a residential premises managed by Pathways SouthWest.
- **Rent:** means the amount Pathways SouthWest charges a tenant for the right to occupy one of our properties.
- **Rent Assessment:** refers to the process by which Pathways Southwest calculates the rent for a new tenant.

Date deployed:
Revalidate:
Approved by CEO
Signature

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Owner:
Author:

Management Team
Coordinator Quality and Service Improvement

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- **Rent Review:** refers to the process by which Pathways SouthWest reviews the rent amount payable by an existing tenant.
- **Rent Variation:** is a change to the rent charged, resulting from a rent review, where the method of rent calculation has not changed.
- **Tenant:** means a person who has signed a residential tenancy agreement granting them the right to occupy a Pathways SouthWest property.

Purpose

Pathways SouthWest commitment to:

- Apply this policy in an open, honest, and supportive way.
- Help applicants and tenants get income details from Centrelink.
- Act quickly on rent reviews if a tenant's income has reduced; and
- Tell applicants and tenants how to claim CRA. [Who can get Rent Assistance - Rent Assistance - Services Australia](#) (accessed 29.9.2026)

How Pathways SouthWest Sets the Rent

Pathways SouthWest is compliant with the Department of Housing and Works Rent Setting Policy <https://www.wa.gov.au/government/document-collections/community-housing-policies-and-resources> (accessed 29.9.2026) and the Residential Tenancies Act 1987 (WA).

Pathways SouthWest calculates the rent using a percentage of the Assessable Income plus the sum of any CRA the household members would be eligible for. The percentage of income charged depends on whether the assessable income for the household is within Band A or Band B.

The maximum rent a tenant will pay is the market rent for their property at the point at which a rent assessment or review is made. Tenants who are eligible to apply for a Centrelink payment but choose not to will be deemed to be receiving the relevant Centrelink payment.

Band A: For band A tenants, rent will be 25% of gross assessable income (income before tax has been paid) plus the sum of any entitlement to CRA.

Band B: For band B tenants, rent will be 30% of net assessable income (income after tax has been paid) plus the sum of any entitlement to CRA.

Diagram 1: Pathways SouthWest rent setting formula



Commonwealth Rent Assistance (CRA)

Depending on the tenant's circumstances, they might be eligible to claim Commonwealth Rent Assistance (CRA) from Centrelink to help pay the rent. [Who can get Rent Assistance - Rent Assistance - Services Australia](#) (accessed 29.9.2026)

This is an income supplement that's based on the type of accommodation the tenants is provided and the amount of rent they pay. The amount the tenant is entitled to is factored into their rent assessment and calculation.

Pathways SouthWest will advise all tenants that they will need to submit a copy of their Tenancy Agreement when applying for CRA.

Rent Reviews

Tenants may ask for a rent review at any time. In the absence of any requests for review by the tenant, Pathways SouthWest reviews the rent annually. Pathways SouthWest may review the rent earlier than annually if the assessable income of the household has changed.

Any variation to the rent amount will apply from the next fortnight's rent charge.

Tenants' responsibilities

Tenants must tell Pathways SouthWest of any change to their household at the time the change occurs. This includes any change to the people who live in the property, as well as any change to the assessable income of any household member.

Tenants must give Pathways SouthWest details of their income when requested, so that Pathways SouthWest can review their rent.

Right of appeal

If an applicant or tenant does not agree with any of our decisions or actions, they can appeal under our Tenant Feedback, Complaints and Appeals Policy and Procedure

Key Contacts

Questions about how to implement this procedure should be directed to Pathways SouthWest Chief Executive Officer (CEO) on ceo@pathwayssouthwest.org.au or phone 97911257

Related Policies and Other Documents:

- Consumer Charter for Community Managed Housing and Homelessness Services
- Governance Policy and Procedure
- National Regulatory Community Housing Standards
- National Safety and Quality Mental Health Standards for Community Managed Organisations
- Western Australian Community Housing Regulatory Framework

Relevant Legislation

- Accounting Standard AASB 1048 Interpretation of Standards (December 2017)

- Australians Charities and Not for Profits Commission Act 2012
- Age Discrimination Act 2004
- Anti-Discrimination Act 1991
- Australian Auditing Standards Australian Human Rights Commission Act 1986
- Carers Recognition Act 2004 (WA)
- Carers Recognition Act 2010
- Charter of Health Care Rights
- Disability Discrimination Act 1992
- Disability Services Act 1993 (WA)
- Equal Opportunity Act 1984 (WA)
- Freedom of Information Act 1982
- GST and non-commercial rules – benchmark market rent values (Australian Tax Office) [Non-commercial activities of charities, cost of supply and market value tests | Legal database](#) (accessed 29.9.2026)
- Health Records (Privacy and Access) Act 1997
- Housing Assistance Act 1996 (COM)
- Human Rights Act 2004
- Mental Health Act (WA) 2014
- National Housing and Homelessness Agreement (2018) – Bilateral Agreement with WA Schedule E4
- National Regulatory Code for the National Regulatory System of Community Housing 2022
- Privacy Act 1988
- Public Sector Ethics Act 1994
- Racial Discrimination Act 1975
- Racial Hatred Act 1995
- Residential Tenancies Act 1987
- Sex Discrimination Act 1984
- Quality of Care Principles 2014