

How To Change Your Rental Situation

There are three techniques that Centrelink clients can use to legally alter/enhance their financial situation. The result of using these techniques is to force Centrelink to assess clients as non-sharers and pay their Rent Assistance at the non-sharers rate. These techniques are:

- Individual Leases. Page 2
- Board (food, utilities etc.) And Lodging (rent). Pages 3-6.
- Board only (food, utilities etc.). Page 7
- Terms Used Pages 8

Once you alter your situation to take advantage of the above techniques you can then truthfully go back to Centrelink, request that your status be changed from a sharer to a non-sharer and claim any extra money owed to you. If Centrelink refuses to re-assess your sharing status refuse to accept this and appeal the decision. It should only be necessary to lodge an appeal to get them to change their minds. Click on the [Appealing A Decision](#) link on the web-site.

Individual Leases

Normally when a property is leased all of the adults renting the property have their names placed on the one lease. This causes Centrelink to assess them as sharers. This is because Centrelink regards every person as financially linked. This is proven by the fact that if a person moves in or out then the amount that each person pays varies (even though the total rent for the property stays the same).

Individual leases solve this problem and change the way Centrelink assesses Rent Assistance. By using individual leases each person becomes financially independent from the others in the property. A person moving in or out makes no difference to the amount of rent of those remaining as each person is only responsible for the rent on their own individual lease. This means that they are entitled to receive up to the maximum Non-Sharers rate of Rental Assistance from Centrelink (depending on how much they pay in rent).

This also eliminates a large cause of arguments from leaseholders having to chase up non-leaseholders to pay their share of the rent.

If Centrelink wants to argue the point and still assess you as a sharer appeal the decision and point out the fact that your rent does not change if someone moves in or out and this should be enough to get them to change their minds and back off.

Board And Lodging

When Centrelink clients who share a property **and** pay rent apply for Rent Assistance, or answer a Rent Assistance review questionnaire sent by a Rent Assistance Compliance Team they usually say that they pay rent only. Clients rarely say that they pay "board and lodging". This is because the legislation (and its' significant financial advantages) applying to board and lodging are usually not properly explained when someone applies for Rent Assistance. Instead clients are usually only informed of how the rental legislation applies. Both options should be explained to allow clients to alter their living situation so that they can get the maximum amount of Rent Assistance legally payable and not a cent less. This results in almost everyone saying that they pay rent of \$xxx per week.

The reason it works is that when clients state that they do not know how much is for lodging (Rent) Centrelink is forced to assess 2/3 of the board and lodging as rent **AND** assess the clients as **non-sharers**. When clients say that they pay rent only Centrelink uses all of the rent money to work out the Rent Assistance and assess them as a sharer.

The most important fact that should be made clear at this point is that the Rent Assistance Legislation states that the leaseholder cannot claim board and lodging.

This is because they are **supposed** to know how much is for board and how much is for lodging. If the leaseholder is on a payment that can be assessed as a sharer and they are unwilling to let anyone else who is:

- not getting Centrelink payments,
- on Centrelink payments but exempt from the sharing provisions of the act (member of a couple etc.), or
- on Centrelink payments that are exempt from the sharing provisions of the act (DSP, SPP, Abstudy etc.).

become the leaseholder they will **remain assessed as a sharer**. Unfortunately, there is nothing that can be done about this. This is why the board and lodging technique results in only non-leaseholders getting re-assessed as non-sharers (unless they already are). This is also why the examples I have shown below show the leaseholder (assessed as a sharer) giving up their lease to some who is exempt from the sharers provisions of the Rent Assistance legislation. The result of doing this is that Centrelink is be forced to re-assess them as a non-sharer and pay at the non-sharers rate.

The leaseholders rent should be worked out as follows. Total Rent - (total board and lodging - 1/3) = leaseholders rent. For example If the total rent was \$200.00 pw and the board and lodging was \$150.00 pw then it would work out as follows:

- $\$200.00 - (\$150.00 \text{ pw} - \$50.00) = \$100.00 \text{ pw rent for leaseholder.}$

Two People or A Couple and One Person

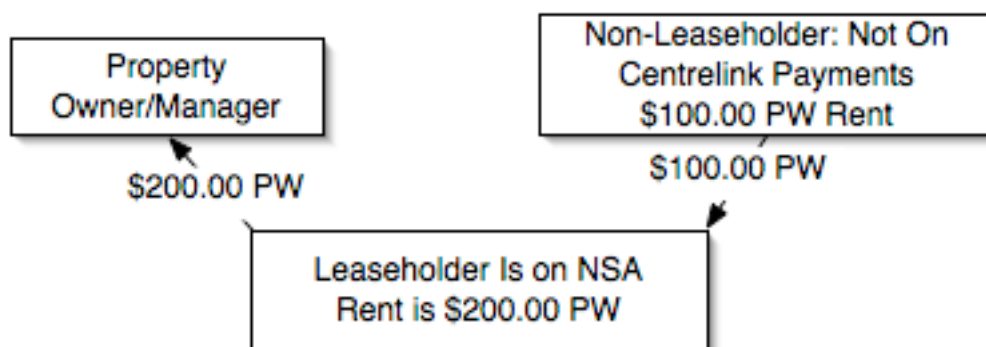
In this situation it is best to use the individual leases technique described above rather than board and lodging. However if the leaseholder/property manager chooses not to allow this it will not happen. The reason that the individual leases technique is better/easier is that if the leaseholder states to Centrelink that they pay \$xxx pw in rent (**the leaseholder cannot claim board and lodging**) it is easy to work out how much the non-leaseholder is paying in rent. The individual leases technique avoids this entirely. If the leaseholder/property manager refuses then it still may be possible to use the board and lodging technique. Obviously it is better if:

- The leaseholder is not receiving a Centrelink payment or,
- The leaseholder is receiving a Centrelink payment that is exempt from sharing provisions of the legislation.

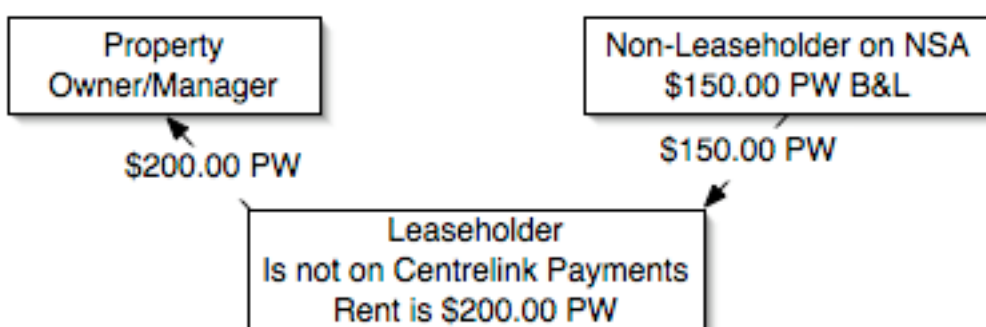
If the leaseholder is also getting Rent Assistance and/or other Centrelink payments it is trickier. However, a case could be easily made by the leaseholder that it is "none of the non-leaseholders business" as to how much of board and lodging is for board/rent (as they are not the leaseholder). This should enable the non-leaseholder to use this argument to win an appeal if they were assessed as a sharer instead of a non-sharer. Obviously it is better and easier if the leaseholder is not on Centrelink payments. In this situation the non-leaseholder can claim board and lodging and Centrelink has no hold over the leaseholder and cannot force them to say how much they pay in rent. Of course it is also possible for people in this situation to use the "Board Only" technique described below.

If the leaseholder is receiving a Centrelink payment that is not exempt from the sharers provisions (such as NSA) it would normally cause the them to be assessed as a sharer. However, using the B&L method for this means that both may be assessed as non-sharers.

Normal Rental Arrangement



Board And Lodging Arrangement



Three or more People or A Couple and Two or More People

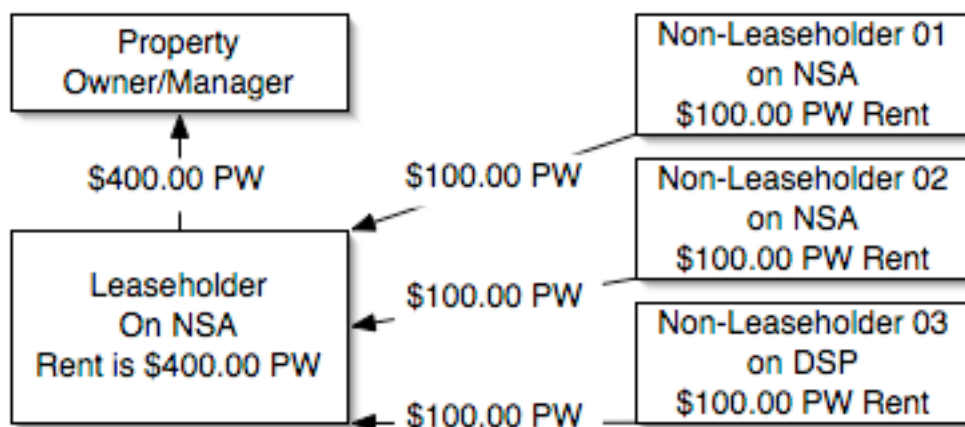
If there are more than 2 people sharing a household it is much easier to change your living situation and manipulate get assessed/paid as non-sharers (to get the highest rate of rent assistance). In the example below the leaseholder is should be either:

- Not on Centrelink Payments or
- On a Centrelink payment that is exempt from the sharing provision of the Rent Assistance legislation (e.g. DSP, SPP, Abstudy, member of a couple).

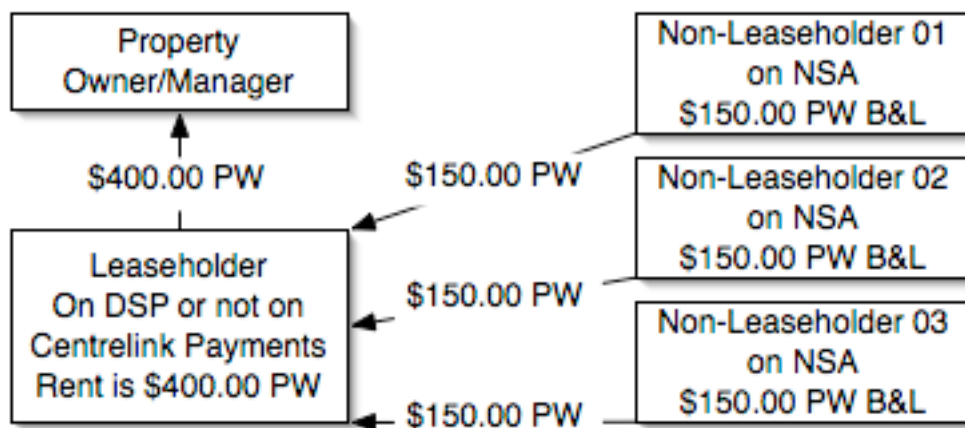
In the example below the total rent is \$400.00 pw. Normally each person would say that they paid \$100.00 pw in rent and the only person that would be assessed is the person on DSP. However, by re-arranging the situation a bit and it is possible for all Centrelink clients to be assessed as a non-sharer. This is done by having the person on DSP named as the leaseholder and all non-leaseholders increasing their rent by 50% and declaring it as board and lodging. Remember, whenever Centrelink asks you how much of your board and lodging is for rent say "I do not know". Leaseholders should say the same. Centrelink then assesses the all as **non-sharing** and 2/3 of the Board and lodging of those on NSA as rent (*\$100.00 pw).

*If you need more money and still have not reached the maximum amount of Rent Assistance allowed for a non-sharer obtain a copy of the current Rent Assistance Tables from Centrelink. Once you have these figures it is easy to work out how much you need to pay in rent to get the maximum amount of Rent Assistance. All you need to do then is to add 50% to this figure, and state that whole figure is for "**board and lodging**". Centrelink then assesses 2/3 of the total **board and lodging** amount as **lodging only**.

Normal Rental Arrangement



Board And Lodging Arrangement



Board Only

This technique is mainly for situations where there are two people in a household and one person is not eligible to receive Rent Assistance (see below). In these situations any rent paid by the the person not entitled to get Rent Assistance states to Centrelink can reduce the amount of Rent Assistance paid to the one entitled to get it.

This sort of arrangement usually involves the following:

- One person is on a Centrelink payment that can receive Rent Assistance
- One person is receiving a Centrelink payment that does not entitle them to receive Rent Assistance (NSA whilst under 25 years old and living at home), or
- not on Centrelink payments.

People	Board	Rent	Rent - Min RT	* .75	= Rent Assistance
Entitled to RA	\$90	\$90	\$90-93.80	\$0	\$0
Not entitled to RA	\$90	\$90	\$90-93.80	\$0	\$0

All that needs to happen to change this for the better is for:

- the person not entitled to receive Rent Assistance to pay all of the board (gas, water, phone, power and food bills etc.).
- and the Centrelink Client entitled to receive Rent Assistance pays all of the rent.

Centrelink then pays the person entitled to get Rent Assistance an increased amount of Rent Assistance. An added bonus is that they are also assessed as a non-sharer. This allows them to get more than the maximum sharing entitlement of Rent Assistance. The maximum amount of Rent Assistance (\$105.40 PF) is paid when rent reaches

People	Board	Rent	Rent - Min RT	* .75	= Rent Assistance
Not entitled to RA	\$180	\$0	\$0 - \$93.80	-\$93.80	\$0
Entitled to RA	\$0	\$180	\$180 - \$93.80	\$86.20	\$64.65 PF

Terms Used

B&L Board And Lodgings

Board Food, Utilities, Repairs etc

DSP Disability Support Pension

Lodgings Rent

Max RT Maximum Rent Threshold. This is the maximum amount of rent that Centrelink will pay Rent Assistance up to. If your rent amount is more than this figure then you will not receive any increase in Rent Assistance.

Min RT Minimum Rent Threshold. This is the minimum amount of rent that you have to pay before you can be paid any Rent Assistance by Centrelink.

NSA New Start Allowance

Last updated 26/07/2008