

Affordable Housing (NSW) Policy

1. Purpose

This policy outlines how HOME in PLACE will manage affordable housing to meet contractual and legal obligations and to identify and describe variations to tenancy management practices for affordable housing.

2. Scope

This policy applies to affordable housing properties in the HOME in PLACE portfolio, HOME in PLACE staff and contractors, affordable housing applicants and tenants.

3. Policy Statement

Affordable housing is designed to assist working people on very low to moderate incomes, who earn at least some of their income from regular paid employment, to access rental housing. Affordable housing rents are set at below market rent so that households can afford their rent and are able to meet other basic living costs.

The objectives of affordable housing are:

- To contribute to the maintenance and expansion of affordable rental housing for low and moderate income households;
- To provide affordable rental housing to low and moderate income households who are paying a high proportion of their income in rent;
- To provide access to affordable rental housing for households who are unable to afford home ownership;
- To provide equitable and non-discriminatory access to affordable rental housing for eligible households;
- To offer long-term secure rental tenure to tenants who meet their tenancy obligations and eligibility criteria;
- To provide cost effective and efficient housing provision and management while ensuring quality client service;
- To assist in maintaining a diverse social mix in areas of affordable housing;
- To assist urban intensification and efficient housing supply through construction of rental housing on vacant and under-utilised land and buildings;
- To provide rental housing which reflects the urban character of areas where affordable housing is located, offers diversity in housing style and which reflects tenant needs;
- To achieve excellence in urban housing design, including the incorporation of principles of ecologically sustainable development; and

- To ensure that the Affordable Housing Program is financially self-sufficient and managed in accordance with good commercial practice which ensures the achievement of affordable housing objectives.

HOME in PLACE manages a number of affordable housing properties, each program has its own eligibility criteria and rent setting policies. HOME in PLACE manages its affordable portfolio in line with the requirements of the NSW Affordable Housing Ministerial Guidelines, the National Rental Affordability Scheme (NRAS) Guidelines and HOME in PLACE Tenancy Management Policies

Affordable Housing Criteria

Program	Criteria
Building Better Cities (BBC)	<p>BBC housing eligibility rules are set by the HOME in PLACE Board of Directors</p> <p>Applicants must be Australian citizens or have permanent residency</p> <p>Have a connection with the area that you are applying for housing in</p> <p>Not own property or assets that could realistically be used to secure affordable housing</p> <p>Have no outstanding debt with HOME in PLACE or any other housing provider</p> <p>Household income limits apply</p> <p>70% of income must be work related income</p> <p>Rents are charged at a percentage of gross weekly income and 100% of any Commonwealth Rent Assistance (CRA) if eligible</p> <p>Application, including supporting documentation, is required</p> <p>Further information available on the HOME in PLACE website</p>
Affordable Housing	<p>This housing is managed in accordance with the NSW Affordable Housing Ministerial Guidelines</p> <p>Income eligibility is determined by set income bands for low, medium and moderate income earning households</p> <p>Income bands are adjusted annually</p> <p>Rents are typically set at a flat rate of 74.9% of market rent</p> <p>Income can come from any sources and households can earn up to 25% above their relevant income band and remain eligible</p> <p>There is no minimum income threshold</p> <p>Applicants must be Australian citizens or have permanent residency</p> <p>Application, and supporting documentation is required</p> <p>Further information can be found on the Department of Communities & Justice website</p> <p>Further information on our Affordable Housing programs can be found on the HOME in PLACE website at</p>
Social Affordable Housing Fund (SAHF)	<p>As per the NSW Affordable Housing Ministerial Guidelines</p> <p>A copy of the Ministerial Guidelines can be downloaded by going to Ministerial Guidelines</p>

Eligibility

To be assessed as eligible for affordable housing, applicants must meet the following criteria:

Affordable housing applicants must

- Establish their identity;
- Be resident in New South Wales (NSW);
- Be a citizen or have permanent residency in Australia;
- Be able to sustain a successful tenancy, without support or with appropriate support in place;
- If applicable, make repayments of any former debts to a social housing provider; and
- In general, be 18 years or older.

Differences between Affordable & Social Housing

The goals of affordable housing are similar to social housing but there are some key differences including:

- Affordable housing is open to a broader range of household incomes than social housing, so households can earn higher level of income and still be eligible;
- Applications for affordable housing properties are made to and assessed by HOME in PLACE;
- Applications for affordable housing cannot be made through Housing Pathways;
- Households do not have to be eligible for social housing to apply for affordable housing, though social housing eligible households may also be eligible for affordable housing;
- Allocations policies for affordable housing are different to social housing and may prioritise different target groups;
- From time-to-time HOME in PLACE may invite social housing eligible households on the NSW Housing Register to apply for affordable housing properties. However, this does not constitute an offer of social housing and the household can refuse this invitation;
- If a household on the NSW Housing Register accepts a tenancy in an affordable housing property, they will be regarded as suitably housed and removed from the Register;
- Rents for affordable housing are calculated differently to social housing and there may be different tenancy management arrangements;
- Affordable housing tenants may apply for social housing while living in an affordable housing property, and social housing tenants may apply for affordable housing while living in a social housing property; and
- Each program has its own application process and eligibility criteria, so moving from one program to the other is not considered a transfer, but as a new application.

Affordable Housing Vacancies

Vacant affordable housing properties are advertised in a number of ways:

- Advertised on realestate.com
- Listed on the HOME in PLACE website.

HOME in PLACE does not retain a waitlist for affordable properties, when a person is interested in one of our properties, they must attend the open house, at the advertised time or virtual inspection and obtain an application form. Completed forms then need to be submitted for consideration, HOME in PLACE will not progress any application that has not been completed in full, including providing the additional documents required.

Allocations

Affordable housing properties will be allocated to a mix of very low, low and moderate income households. When considering allocations, HOME in PLACE will balance the needs of households in rental stress with the requirements to generate sufficient income to meet operating costs, and include the following criteria for consideration:

- Applicants must meet income eligibility limits for the program;
- Applicants must require medium to long-term affordable rental housing;
- Applicants must not own property or assets which could realistically be used to secure affordable, appropriate housing;
- Applicants must be permanent residents or citizens of Australia;
- There is no conflict of interest because of a close association or employment with HOME in PLACE;
- The housing need(s) of the applicant, that is, the degree to which their current housing is unaffordable or inappropriate;
- Ensuring that high-needs groups are represented in allocations;
- Ensuring an appropriate income mix;
- The household size is appropriate to the accommodation available;
- Specific accommodation needs related to the type of dwelling, e.g., the need for ground floor accommodation;
- Specific accommodation needs related to locational factors, e.g., the need for close proximity to local services and facilities;
- Judgements as to the compatibility mix with each development, while ensuring diversity; and the need to live in the area; and
- There is no outstanding debt owed to HOME in PLACE Housing Services.

TICA

HOME in PLACE will complete a tenancy database check for all Affordable Housing applicants and household members aged 18 or over. This check is completed through TICA, and the results will be used to inform the outcome of an application.

Preferred applicants with default history recorded in TICA will require Out of Guidelines approval by the Chief Operations Officer.

Tenure & Lease Agreements

Length of leases

Tenants are expected to meet the requirements of a standard residential tenancy agreement. The term of the residential tenancy agreement will be twelve (12) months. Tenants who met their tenancy obligations and who remain eligible for the program will be invited to enter into new agreements for a further twelve (12) months.

Eligibility reviews will be conducted prior to the expiration of the lease agreement. Tenants must supply their current income details as part of the eligibility review.

Ongoing eligibility

To remain in affordable housing, households must continue to meet the eligibility criteria, this includes the general eligibility criteria, demonstrating an ongoing housing need, that is, tenants or household members do not have assets that could resolve their own housing requirements. The exception is income, where existing tenants are permitted to earn up to **25%** above the maximum eligibility income for moderate income before they become ineligible.

Ongoing eligibility reviews will be conducted prior to the expiration of the residential tenancy agreement. Tenant must provide up to date income and other information when requested for the review. When a tenant remains eligible, they will be invited to sign a new residential tenancy agreement.

If the eligibility review identifies the tenant is no longer eligible for affordable housing HOME in PLACE will work with the tenant to identify alternate housing options. A tenant may be given up to twelve (12) months to move to alternative accommodation, depending on their circumstances. HOME in PLACE may also use the provisions of the *Residential Tenancies Act 2010* to terminate the tenancy, specifically, Section 143.

If the capped market rent value is more than 30% of the household income and a potential affordability/rent burden risk is identified, the Affordable Housing Program may no longer be the most appropriate and affordable housing option. The Tenancy Relations Officer should discuss with the tenant their eligibility for social housing and assist with an Application for Housing Assistance if required.

Termination of leases

HOME in PLACE may seek to end a tenancy if there is a breach of the residential tenancy agreement or where the tenant is no longer eligible for affordable housing. Tenants will be notified of any action HOME in PLACE intends to take.

Transfer & succession

Tenants cannot 'transfer' from one affordable housing property to another. If a different affordable property becomes available that better suits their needs, they may apply through the standard affordable housing application process.

Affordable housing tenants may apply for social housing and, if eligible, will be added to the NSW social housing waiting list.

If the primary tenant leaves the property, other household members cannot take over the tenancy. However, they may submit their own application for affordable housing, which will be assessed under the usual eligibility criteria.

Changes in Income

Where a tenant's income increases above the income eligibility limit, the following shall apply:

- No action will be taken where incomes are up to 10% above income limits;

- Where a tenant's income is more than 10% above income limits, there will be a 12-month review period. During this review period, an assessment will be made of the amount of the increase in income and the permanence or otherwise of the income increase;
- If a tenant is found to be ineligible following the review period, they will be advised of the requirement to relocate. Relocation shall be at the tenant's own expense;
- Where a tenant's income falls below the income eligibility limit, the following policy shall apply:
- No action will be taken where the income fall is not greater than 10% of the minimum threshold;
- There will be a 12-month review period, during which time the circumstances of the tenant will be assessed. This assessment shall include analysing the amount of the decrease in income and the permanence of the income change;
- If the tenant's income has not increased to the minimum income limit during the review period, and is unlikely to do so in the immediate future, HOME in PLACE will facilitate the lodgement of an Application for Housing Assistance (AHA) and assessment for priority housing if eligible; and
- The review period will commence from the time of income change, causing the review period to commence, until suitable employment occurs. Suitable employment occurs where a tenant works 100 hours or more in a 13-week period or 400 hours in a 12-month period after the commencement of review date, whichever occurs first.

Changes to the household

Tenants must notify HOME in PLACE of any changes to the household. An eligibility assessment will be completed if a person, other than the primary tenant, leaves or is added to the household to determine if the household remains eligible for the program.

Rent

Rent setting

Affordable housing rent is set between 74.9% to 80% of the current market rent value of the property depending on the affordable housing program requirements. Rent charged in affordable housing properties in general will not exceed 30% of the total assessable household income for very low to low-income earners and will not exceed 40% of the total assessable housing hold income for moderate income earners.

For tenants residing in properties under the Building Better Cities (BBC) program, rent will be set at 60% of the current market rent value of the property or 27% of gross household income, whichever is higher.

Rental bonds

Tenants in affordable housing programs are required to pay a rental bond of four (4) weeks market rent.

Rent payments

Rent is charged on a weekly basis and can be paid weekly or fortnightly, tenants must remain in advance with their rent payments.

Rent arrears

A tenant who falls into arrears with their rent payments will be given the opportunity to set up a repayment place to bring their rent account up to date. HOME in PLACE reserves the right to take action in

the NSW Civil & Administrative Tribunal (NCAT) where a payment plan is not adhered to, or when the account is more than 14 days in arrears.

Review of Market Rent

Market rents will be reviewed and adjusted annually. Tenants will be notified of any adjustments in accordance with the *Residential Tenancies Act 2010*.

Review of Decisions

Some decisions made by HOME in PLACE may be subject to a review. If a tenant or applicant does not agree with a decision HOME in PLACE has made, they should first discuss this with a Tenancy Relations Officer. If the tenant or applicant is still dissatisfied, they have the right to lodge an appeal for a formal review of the decision. Appeal Request forms are available on the HOME in PLACE website or by contacting a HOME in PLACE branch.

4. Definitions and Acronyms Glossary

For clarification of any definitions or acronyms contained within this document, please click on the [Glossary](#) for information.

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