

Affordable Housing Policy

August 2018

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1 Purpose and Applicability

This policy describes how the Women's Housing Company Limited (WHC) manages the Affordable Housing portfolio to ensure legal and contractual requirements are met and the program maintains financial sustainability.

Some aspects of Affordable Housing management are identical to other housing types offered by the WHC. Where this is the case, referrals are made in this document to other WHC policies. The Affordable Housing Policy sets out the details of tenancy and property management where policy differs from other housing types managed by the WHC.

The policy applies to Affordable Housing properties managed by the WHC and acquired with financial assistance from the NSW Government. The policy applies to all WHC staff and contractors, Affordable Housing applicants and tenants.

The ***Charter of Rights and Responsibilities*** guides the interactions between the WHC, applicants and tenants.

2 References

2.1 External or Statutory Requirements

This policy complies with the following external legislation or requirements:

- Housing Act 2001
- Community Housing Providers (Adoption of National Law) Act 2012
- NSW Residential Tenancies Act and Regulation 2010
- NSW Civil and Administrative Tribunal Act and Regulation 2013 and Rules 2014
- NSW Affordable Housing Ministerial Guidelines
- Housing Pathways Policies
- NSW Community Housing Access Policy
- NSW Community Housing Eligibility Policy
- NSW Community Housing Rent Policy
- NSW Community Housing Water Charging Guidelines
- NSW Community Housing Asset Management Policy

2.2 Internal Requirements and Forms

This policy refers to the following WHC documents, which are available on the website:

- *Affordable Housing Application*
- *Rental Subsidy Application*

2.3 Definitions

Affordable Housing is subsidised rental accommodation designed to assist working people on very low to moderate incomes. Rent charged is below market rates so that households can afford their rent as well as meeting other basic living costs. In general, housing is considered affordable if it costs no more than 30% of the gross household income.

The following terms are used in this document, with specific meaning:

- “affordable housing” is subsidised rental accommodation for people in paid employment earning very low to moderate income, managed in line with the *NSW Affordable Housing Ministerial Guidelines*
- “social housing” is subsidised rental accommodation for people on very low or low income who meet the eligibility requirements under *Housing Pathways Policies*
- “may” is an acceptable action or requirement but not mandatory
- “must” or “shall” or “will” designates a mandatory requirement or action
- “residential tenancy agreement” or “rental lease” or “lease” is the written agreement between the WHC and the tenant with all terms and conditions of the tenancy

3 Eligibility Requirements

The WHC Affordable Housing portfolio is targeted to women experiencing housing stress. Key workers with employment in industries such as (but not limited to) health care, aged and disability care, child care, education, emergency services, community services, retail and hospitality are prioritised.

To apply for a WHC Affordable Housing property, applicants must satisfy the following:

3.1 General Criteria

- Be a citizen or have permanent residency in Australia;
- Be a resident in New South Wales (NSW) and be able to establish their identity;
- Be unable to resolve their housing need in the medium to long term without assistance;
- Be able to sustain a successful tenancy, with or without support;
- If applicable, make repayments of any former debts to FACS Housing or a community housing provider; and
- In general, be 18 years of age or older.

3.2 Income and Assets Criteria

Maximum income limits for Affordable Housing are updated by the NSW Government from time to time.

Applicants shall not have assets or property which could reasonably be expected to solve their housing situation, mirroring the *Housing Pathways Eligibility for Social Housing Policy*.

Tenants agree to supply their income details to WHC under section 187 of the *NSW Residential Tenancies Act 2010*. To determine gross assessable income, tenants must provide income and assets evidence in accordance with the **Rent Policy**.

For further information on eligibility and income limits, refer to the [NSW Ministerial Guidelines for Affordable Housing](#).

3.3 Women's Housing Company Criteria

In line with the purpose of the WHC, applicants must be women, with or without dependent children. Applicants must be in paid employment, either permanent fulltime, permanent part time or casual, for an average of 15 hours or more per week.

4 Vacancy Management, Applications and Offers

Affordable Housing vacancies are advertised through a number of channels to minimise vacancy periods. These channels include real estate websites, the WHC website, and direct communication with organisations in the areas local to our Affordable Housing properties that employ key workers.

Applications are made using the **Affordable Housing Application**, which is available on the WHC website. Applications are assessed by WHC with reference to the eligibility criteria.

Offers for vacant properties are made with reference to the suitability of the applicant's circumstances to the available property. Applicants are required to view the offered property within two business days of the offer and must advise the WHC if they intend to accept or reject the offer within one business day of viewing the property.

5 Tenure and Lease Agreements

5.1 Residential Tenancy Agreement

The standard Residential Tenancy Agreement governs the arrangement between the tenant and WHC. As the WHC is a registered community housing provider, the provisions of the *NSW Residential Tenancies Act 2010* that specifically cover social housing tenancies also apply to affordable housing leases.

Fixed term rental leases of between six and twelve months are offered, to provide relative tenure security, whilst enabling regular reviews of income for eligibility and rent review purposes. Tenants who have met their tenancy obligations and who maintain eligibility for affordable housing may have their lease extended for a further fixed term.

A fully executed copy of the Residential Tenancy Agreement is provided to the tenant at the time of signing and a copy is retained by the WHC.

5.2 Ongoing Eligibility

Ongoing eligibility assessments are conducted three months before the end of each fixed term. Tenants must provide evidence of continued eligibility, to namely satisfy:

- the general eligibility criteria, demonstrate an ongoing need for subsidised housing and not have assets which could reasonably be expected to meet their housing need; and
- the Women's Housing Company criteria; and
- a tenant's household income may be up to 25% above the maximum initial eligibility limit for the moderate income band before becoming ineligible.

Tenants agree to supply their income details to the WHC under section 187 of the *NSW Residential Tenancies Act 2010*. To determine gross assessable income, tenants must provide income and assets evidence in accordance with the **Rent Policy**.

5.3 Transfers

Affordable Housing tenants are not able to apply for a direct transfer to another WHC Affordable Housing property. Existing tenants may apply for another Affordable Housing property when a vacancy is advertised and their application will be considered along with other applicants, in accordance with the process described in section 4.

5.4 Termination

Tenants may end their lease during or at the end of a fixed term by giving appropriate written notice in accordance with the *Residential Tenancies Act 2010*.

The WHC may terminate a lease if there is a breach of the lease terms, if the tenant is no longer eligible for Affordable Housing, or for any other reason allowable under the *Residential Tenancies Act 2010*. Refer to the ***Ending A Tenancy Policy***.

The WHC may seek to terminate a tenancy in the NSW Civil and Administrative Tribunal (NCAT), where the rent account has fallen into arrears by more than 14 days, where agreed arrears repayment plans are not adhered to, or where the tenant has seriously or repeatedly breached other terms of the Residential Tenancy Agreement.

In cases where the tenant is no longer eligible for Affordable Housing, but they do meet eligibility criteria for Social Housing, an internal management transfer may be offered if a suitable vacancy is available within the WHC Social Housing portfolio. Refer to the ***During A Tenancy Policy***. Where a suitable vacancy is not available, the WHC may assist the tenant to lodge a social housing application in accordance with Housing Pathways policies, and may work with other social housing providers to facilitate access to a suitable alternative property.

Where tenants have additional household members and the main tenant is vacating the property, other household members have no right of succession for the tenancy and must also vacate the property.

6 Rent and Other Charges

6.1 Rental Bond

Affordable Housing tenants must pay a rental bond equivalent to four (4) weeks of subsidised rent. For more information on the management of Rental Bond, refer to the ***Non-Rent Charges Policy***.

6.2 Market Rent

The maximum rent that can be charged for Affordable Housing is the Market Rent of the property. For more information on Market Rent, refer to the ***Rent Policy***.

6.3 Subsidised Rent

Subsidised Rent is calculated as a percentage of Market Rent. This is typically 75% however, this may be higher or lower depending on the program.

Subsidised Rent will be capped at a percentage of the total household income, based on the income bands as detailed in the [NSW Ministerial Guidelines for Affordable Housing](#), as follows:

- 25% of Very Low Income
- 27% of Low Income
- 30-35% of Moderate Income

Flexibility in pricing may be applied to moderate income households but, in all cases, the relevant circumstances of the applicant household and their capacity to pay will be guiding principles. For example, travel costs may be reduced by accessing housing closer to an applicant's place of employment.

Rental subsidy reviews are conducted in line with the lease renewal process, as detailed in the **Rent Policy**.

6.4 Water Usage Charge

In the majority of properties managed by WHC, tenants are required to pay for water usage. Refer to the **Non-Rent Charges Policy**.

6.5 Tenant Damage and Vacating Charges

Throughout the tenancy and when a tenant vacates the premises, the WHC conducts property inspections. Refer to the **During A Tenancy Policy**.

Tenants are required to report property damage, regardless of the cause, to the WHC as soon as practicable. WHC will engage suitably qualified contractors to respond, assess and rectify property damage. Refer to the **Repairs and Maintenance Policy**.

Where property damage beyond fair wear and tear is deemed to be caused through the actions of the tenant, household members or visitors, the cost of repairs and maintenance to bring the property back to a suitable standard will be charged to the tenant. Refer to the **Non-Rent Charges Policy**.

6.6 Payment Options and Account Statements

A tenant's rent account must be maintained at two (2) weeks in advance. Non-rent charges must be paid as and when they fall due.

For payment options and details regarding account statements, refer to the **Rent Policy** and **Non-Rent Charges Policy**.

Where payments are not made in full and on time, arrears are accrued. Refer to the **Arrears Management Policy**.

7 Change in Circumstances

Affordable Housing tenants are responsible for informing the WHC of any changes to their circumstances or their household that could affect their eligibility for Affordable Housing or a rental subsidy. Notification and evidence must be provided to the WHC within 21 days of the change in circumstances.

Changes can include (but are not limited to) loss of employment, an increase of household income, change of household members or extended absence from the property.

Depending on the change of circumstances, a full eligibility assessment may be conducted to determine ongoing eligibility for Affordable Housing and / or a rental subsidy.

7.1 Loss of Employment

If a tenant becomes unemployed but continues to meet all other eligibility criteria for Affordable Housing, a written application for a temporary rent reduction on the grounds of hardship can be made. Only one application for hardship may be submitted in any 12 month period. Hardship applications must be made within 21 days of the loss of employment and must be submitted using the ***Rental Subsidy Application***.

The WHC will consider the evidence and may approve a rent reduction for up to three (3) months, depending on individual circumstances. An approved rent reduction may be backdated to the date of the loss of employment or the end of an employment termination entitlement period, so long as the WHC is notified within 21 days of the loss of employment. If the WHC is notified outside the 21 day period, any approved rent reduction will be applied from the date the WHC receives notification and all relevant evidence.

Following a period of approved rent reduction, the rent charge will return to the original subsidised rent amount applicable at the start of the current lease period.

Rent reductions on hardship grounds may be granted on the understanding that the tenant will resume employment within the approved period. If the tenant does not resume employment within three (3) months, the WHC may terminate the lease on the grounds the tenant is no longer eligible for Affordable Housing. Refer to section 5.4 Termination.

7.2 Increase of Household Income

A tenant's household income may increase due to a range of reasons, including (but not limited to) a change of employment or a change of household members.

In line with the WHC purpose, our tenants are primarily single women. Tenants must apply to the WHC before allowing additional people to live with them. Refer to the ***During A Tenancy Policy***.

Where a tenant's household income increases to be above the maximum of the current income band (refer to the NSW Affordable Housing Ministerial Guidelines) during a fixed term, the WHC must be notified within 21 days of the change.

The subsidised rent amount will not change for the remainder of the current fixed term lease period. However, the increased household income will be taken into account to determine ongoing eligibility for Affordable Housing and the level of rental subsidy for any subsequent lease term. Eligibility assessments are conducted three months before the end of each fixed term.

7.3 Extended Absence from the Property

In accordance with the ***During A Tenancy Policy***, tenants must notify the WHC if they will be away from their property for more than four (4) weeks, regardless of the reason. Absences may be approved for periods of up to three (3) months, upon WHC management discretion.

Affordable Housing tenants must continue to pay rent and applicable non-rent charges while away from their home, regardless of the reason for the absence.

If a tenant fails to notify the WHC of an absence from the property of more than four (4) weeks, their rental subsidy may be cancelled and market rent will be charged. The WHC may also take formal action, including applying to the NSW Civil and Administrative Tribunal (NCAT) to terminate the tenancy.

8 Complaints and Appeals

Any person who has a complaint about how the Affordable Housing Policy has been administered, or applicants and tenants who wish to appeal a decision, should refer to the ***Complaints and Appeals Policy***.