Affordable Housing Policy

1.0 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, references are made 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.

This policy applies to Affordable Housing properties owned or managed by WHC. The policy applies to all WHC staff and contractors, Affordable Housing applicants and tenants.

The Customer Service Charter and Customer Rights and Responsibilities guide the interactions between the WHC, applicants and tenants.

2.0 What is Affordable Housing?

Affordable Housing is subsidised rental accommodation designed to assist working people on very low to moderate incomes.

Housing is generally considered affordable if it costs no more than 30% of gross household income, noting that this benchmark may be applied flexibly in accordance with NSW Affordable Housing Ministerial Guidelines.

3.0 Eligibility Requirements

WHC Affordable Housing is targeted to women, and women with children, in paid employment with very low to moderate income. Key workers with employment in industries such as, but not limited to, health care, aged and disability care, childcare, education, emergency services, housing and homelessness, community services, retail and hospitality are prioritised.

Applicants must satisfy the following eligibility criteria:

- Be a women lead household (some designated properties may allow adult male household members)
- Be an Australian 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 the Department of Communities and Justice (DCJ) or a community housing provider;
- In general, be 18 years of age or older;
- Not own assets or property that could reasonably be expected to resolve their housing need.

Applicants must meet minimum and maximum income limits in line with the NSW Government Affordable Housing Guidelines, which are published annually by the Department of Communities and Justice.

Other criteria may be applied based on property type, planning approval and funding requirements.

Applicants and tenants must provide income and asset information when requested so WHC can assess eligibility and rent in accordance with the WHC Rent Policy.

4.0 Vacancy Management, Applications and Offers

Affordable Housing vacancies are actively managed and advertised through multiple channels to minimise vacancy periods. These channels include the WHC website, Welcome Mat, Gumtree and direct communication with organisations in areas local to WHC 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 the WHC with reference to the eligibility criteria and supporting evidence.

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.

Where practicable, WHC will maintain a pool of eligible applicants, commence advertising as soon as a vacancy is known, monitor refusal reasons and review advertising channels, property condition or rent settings where vacancy periods exceed target timeframes.

5.0 Tenure and Lease Agreements

5.1 Residential Tenancy Agreement

A 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 twelve months are offered to provide relative tenure security while enabling regular reviews of income for eligibility and rent review purposes. Tenants who have met their tenancy obligations and maintained 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

WHC conducts ongoing eligibility assessments three months before the end of each fixed term lease, or at any other time where required by the tenancy agreement, WHC policy, the NSW Affordable Housing Ministerial Guidelines, funding agreements, planning requirements or a material change in circumstances. Tenants must provide evidence to confirm they continue to:

- meet the general Affordable Housing eligibility criteria, including demonstrating an ongoing need for subsidised housing and not owning assets that could reasonably meet their housing need;
- meet WHC's Affordable Housing program requirements.

Under section 144 of the *NSW Residential Tenancies Act 2010*, tenants must supply income details to WHC when required. Income, asset, household and Commonwealth Rent Assistance evidence is assessed in accordance with the WHC Rent Policy.

If a tenant does not provide required information by the due date, WHC may suspend or cancel the rental subsidy, charge market rent or the maximum rent permitted for the property, decline lease renewal, or take other action available under the tenancy agreement, WHC policy and relevant legislation.

5.3 Transfers

Existing tenants wishing to transfer 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 21 days' written notice in accordance with the ***Residential Tenancies Act 2010***.

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 ***WHC Ending a Tenancy Policy***.

Where a tenant is no longer eligible for Affordable Housing, WHC will first consider appropriate transition pathways and support to access alternative housing before termination.

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.

6.0 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 bonds, refer to the WHC Starting a Tenancy Policy.

6.2 Market Rent

The maximum rent that can be charged for Affordable Housing under the NSW Affordable Housing Ministerial Guidelines is 74.9% of the market rent for the property. WHC will review market rent at least annually using reasonable evidence such as independent valuations, comparable market listings, rent assessments or managing-agent advice. For more information on market rent, refer to the WHC Rent Policy.

6.3 Subsidised Rent

WHC will set Affordable Housing rent at the highest lawful and sustainable rent permitted under the NSW Affordable Housing Ministerial Guidelines, applicable funding agreements, planning requirements, contractual obligations and the WHC Rent Policy. Rent will not exceed the applicable percentage of market rent or any relevant income-based affordability threshold.

Rent charged in WHC Affordable Housing properties will generally not exceed 30% of total assessable household income for very low to low-income earners and will not exceed 35% of total assessable household income for moderate income earners, unless otherwise permitted or required under the NSW Affordable Housing Ministerial Guidelines, a funding agreement, planning requirement or WHC Rent Policy.

Where a tenant is eligible for CRA, WHC will include **100% of the household's CRA entitlement** in the rent assessment. Rent payable will therefore be calculated based on a percentage of assessable household income **plus the full CRA entitlement**, subject to the maximum rent limits set under the NSW Affordable Housing Ministerial Guidelines. Tenants are expected to apply for and maintain their CRA entitlement where eligible and must provide evidence of their CRA entitlement, application status or ineligibility when requested. Tenants must notify WHC of any change to CRA entitlement within 21 days. Where a tenant is eligible for CRA but chooses not to apply, WHC may assess rent as if the CRA entitlement were received, to ensure equitable and consistent rent setting across the portfolio.

Rental subsidy reviews are conducted in line with the lease renewal process and may also be conducted where required by the NSW Affordable Housing Ministerial Guidelines, a funding agreement, planning requirement, contractual obligation or WHC Rent Policy.

6.4 Water Usage Charges

Other non-rent charges (including water usage and maintenance charges) may apply in accordance with WHC policies and relevant NSW Community Housing guidelines.

6.5 Tenant Damage and Vacating Charges

Throughout the tenancy and when a tenant vacates the premises, the WHC conducts property inspections.

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

Where property damage beyond fair wear and tear is caused by the tenant, household members or visitors, the cost of repairs and maintenance will be charged to the tenant. Refer to the **WHC Ending a Tenancy 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 information on payment options available to tenants and WHC arrears management, refer to the WHC **Paying Your Rent Factsheet**.

7.0 Change in Circumstances

Affordable Housing tenants must notify WHC of any change to their circumstances or household that may affect their eligibility or rental subsidy. Notification and supporting evidence must be provided within 21 days of the change.

Relevant changes may include loss of employment, increased household income, changes to household members or an 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 the level of 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.

WHC will consider the evidence and may approve a rent reduction for up to three (3) months, depending on individual circumstances. Following this period, the rent charge will return to the applicable subsidised rent amount.

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 that period, they will be deemed no longer eligible for Affordable Housing. Refer to section 5.4.

7.2 Increase of Household Income

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

Where a tenant's household income increases above the maximum of the current income band, as set out in the NSW Affordable Housing Ministerial Guidelines, 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. On-going eligibility assessments are conducted three months before the end of each fixed term.

7.3 Extended Absence from the Property

In accordance with the **WHC Keeping a Tenancy Policy**, tenants must notify 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, at WHC management's discretion.

Affordable Housing tenants must continue to pay rent and applicable non-rent charges while they are away from their home.

If a tenant fails to notify 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. WHC may also take formal action, including applying to the NSW Civil and Administrative Tribunal (NCAT) to terminate the tenancy.

7.4 Change in Household Composition

Tenants must notify WHC of any proposed or actual change to household members within 21 days. WHC may assess the change to confirm the household remains suitable for the property and continues to meet Affordable Housing eligibility requirements.

8.0 Relevant legislation

This policy complies with the following legislation or requirements:

- Housing Act 2001
- Community Housing Providers (Adoption of National Law) Act 2012
- NSW Residential Tenancies Act (2010)
- NSW Civil and Administrative Tribunal Act and Regulation 2013 and Rules 2014
- NSW Affordable Housing Ministerial Guidelines
- 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

9.0 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 **WHC Complaints and Appeals Policy**.

10.0 Privacy and Confidentiality Statement

The WHC will ensure that all applicant and tenant information is kept confidential and is managed and protected in accordance with the **WHC Privacy Policy and relevant privacy law**.

From time to time, de-identified demographic information may be released to third parties for statistical purposes only.