



TMP 012

AFFORDABLE HOUSING POLICY

VERSION	DATE REVIEWED	CHANGE SUMMARY
1.0	25/07/2017	Megan Ward, GM Operations
2.0	15/02/2018	Megan Ward, GM Operations
2.1	01/06/2019	Megan Ward, GM Operations
3.0	01/06/2021	Megan Ward, GM Operations
4.0	01/06/2022	Megan Ward, GM Operations
5.0	27/03/2023	Megan Ward, Chief Operating Officer
5.1	7/8/2023	Formalise the affordability threshold for rent as % of income

1. AUTHORISING AUTHORITY

Chief Executive Officer

2. PURPOSE / BACKGROUND

The policy articulates the management, application, eligibility and allocation process for CHC Affordable Housing (CHC) in accordance with the [NSW Affordable Housing Ministerial Guidelines](#) and the National Rental Affordability Scheme (NRAS).

CHC provides housing for people on low to moderate incomes, who ideally earn at least some of their income from regular paid employment.

CHC aims to:

- Provide access to affordable housing for Canberrans who may be in housing stress and are not eligible for public housing due to income they receive.
- Support our tenants that have the potential for income growth through the tenant lifecycle into home ownership.
- Provide another choice of housing for persons requiring a rental property.

3. POLICY DETAIL

CHC will provide affordable housing within the provision and in accordance with the following legislation:

- ACT Residential Tenancy Act 1997
- [NSW Affordable Housing Ministerial Guidelines](#)
- National Rental Affordability Scheme (NRAS) Policy Guidelines.

4. ELIGIBILITY REQUIREMENTS

All applicants must:

- Be Australian citizens or permanent residents
- Be a resident of the ACT for at least six months
- Establish the identity of those who will live in the property
- Be able to successfully maintain a tenancy under the terms of the lease.

5. INCOME

In order to ensure the financial viability of CHC's affordable housing programs, eligibility income limits will align to the National Rental Affordability Scheme (NRAS) and [NSW Affordable Housing Ministerial Guidelines](#). These amounts will be reviewed and published annually.

CHC will assess each applicant's financial ability to pay the discounted market rent, which is generally set at 74.9%-80% of the market rent.

6. OWNERSHIP OF ASSETS

Applicants or household members must not own assets that could help them resolve their housing needs such as substantial savings, property, shares or investments.

7. OTHER CONSIDERED CRITERIA

Applicants may be asked to demonstrate a connection to community i.e. employment, supports, schooling.

8. ASSESSMENT OF APPLICATIONS

CHC will advertise available properties on Allhomes or the CHC website for a fixed period of time (generally up to 5 days). An expression of interest/eligibility process is managed via CHC's client relationship management software portal system. All applications will undergo a thorough assessment for affordable housing and ranked against the evidence provided by the applicant to determine eligibility and priority.

9. ALLOCATIONS TO VACANT PROPERTIES

Allocations are made in accordance with the Affordable Housing/NRAS guidelines for each program and will be informed by the following factors as outlined in the Affordable Housing Guidelines:

- Financial viability and ability to maintain rental payments by paying no more than 32% of gross household income as rent.
- Allocations are on a priority basis as per CHC internal ranking process.
- Matching the property to the needs of the applicant.
- Applicants' connection to the local area.

10. HOUSING OFFERS

CHC will make all attempts to make housing offers to eligible applicants that will meet their housing need and locational preference. The decision regarding allocation is based on information provided by the applicant. Upon receiving an offer for housing, applicants will have 24 hours to either accept or decline the offer after viewing the property. CHC and the applicant will then agree on a lease/occupancy start date in accordance with CHC's key performance indicators, generally within 48 hours of the property being available.

11. TENANCY / OCCUPANCY AGREEMENTS

Tenants will be required to enter into a standard Residential Tenancy Agreement or Occupancy Agreement depending on the housing program. The agreement will be for a fixed term of up to 12 months.

12. RENT PAYMENTS

Tenants are required to pay their rent fortnightly in advance. CHC offers the following methods of rent and non-rent payments:

- Payway card
- Centrepay deduction
- EFTPOS facility within CHC's office
- Bank cheques.

13. BONDS

All tenants of CHC are required to pay four weeks' rent as bond at the commencement of the agreement. Applicants may apply for a bond assistance loan auspiced by Housing ACT if they are experiencing financial difficulty. If an approved tenant is declined for a bond assistance loan it will be at the Chief Operating Officer's discretion if a suitable payment plan may be entered into.

14. ADDITIONAL HOUSEHOLD MEMBERS

As part of the agreement, tenants must request permission in writing if they wish for an additional occupant to move into the property. CHC will then conduct an assessment of the person's income and household size. Approval of former tenants of CHC with an outstanding debt will be at the Chief Operating Officer's discretion.

15. MARKET RENT REVIEW

A review of the market rent for each property will be conducted at least annually by an external Valuer or the Chief Operating Officer in accordance with CHC's internal policy and the Affordable Housing/NRAS guidelines. Tenants will be notified of any change to the market rent and the rebated amount payable prior to any lease renewal or as outlined as per legislative requirements. In alignment with the ACT Residential Tenancies Regulation 5A, CHC will apply the published percentage increase in the rents component of the Consumer Price Index to market rents for tenants who remain on a continuous lease agreement. Under some circumstances, the rebated rent may increase by more than the percentage increase in the published index, but will at all times remain below 80% of the market rent. The market rent increase is limited by the published Consumer Price Index increase.

If the household's income falls below the entry level or exceeds the upper income limit, CHC will issue the relevant notice as outlined in the Residential Tenancies Act. Such information and notices will be issued prior to the tenant being offered the opportunity to renew their lease.

16. HARDSHIP

Affordable tenants of CHC may at times experience difficulties maintaining their income to rent ratio. With appropriate evidence, CHC may consider reducing a tenant's rent from 74.9-80% of market rent to 30% of income received (plus 100% of CRA) for a reduced percentage of market rent for a short term period. All requests for hardship will be considered by the Chief Operating Officer and must be submitted in writing.

17. ENDING A TENANCY

Agreements may be terminated by CHC:

- if the tenant is in breach of the tenancy agreement
- the tenant no longer meets the current eligibility criteria for the property
- the tenant has exceeded the maximum term of tenure (NRAS program)
- the property is required for redevelopment purposes, or if
- the tenant no longer meets the criteria for the program specific use of the dwelling.

Tenants may give notice to vacate the property as the legislative notice periods outlined within the Residential Tenancies Act 1997.

18. BREAK LEASE CHARGES

Tenants may choose to vacate the property prior the end of a fixed term agreement. Tenants who exercise the option to leave during their fixed term lease period may be a charged a break lease fee being up to three (3) weeks of the affordable rent currently payable for the property and relevant marketing costs, in alignment with the Residential Tenancies Act 1997.

19. APPEALS AND COMPLAINTS

Affordable housing applicants or tenants may lodge an appeal or make a complaint as outlined in CHC's Appeals Policy or Complaints Policy.

20. POLICY RESPONSIBILITY AND REVIEW

The Chief Operating Officer is responsible for implementation of this Policy and for recommending updates. This Policy is reviewed at least once annually.