

1 Purpose

- 1.1 This policy establishes an effective, equitable and transparent framework for allocating and managing rent from properties in our Affordable Housing portfolio.

2 Scope

- 2.1 This policy applies to our Affordable Housing programs only. It includes properties managed under the National Rental Affordability Scheme (NRAS), those we manage on behalf of owners, and properties we own and operate.
- 2.2 It does not apply to general social housing, transitional housing, temporary accommodation, or Housing for People with Disability.

3 Policy Statement

- 3.1 Affordable housing is housing that is suitable for the needs of a range of very low to moderate income households and priced so that these households are also able to meet other basic living costs such as food, clothing, transport, medical care, and education. Housing is generally considered affordable if it costs less than 30% of gross household income.
- 3.2 We manage our affordable housing in line with the following laws, guidelines, and agreements:
- Residential Tenancies Act 2010 (NSW)
 - NSW Affordable Housing Ministerial Guidelines
 - National Rental Affordability Scheme (NRAS) Policy Guidelines and Rules
 - Our agreements with the owners of affordable housing such as developers and councils
 - Contractual requirements
- 3.3 This policy is designed to meet our commitments to offering affordable housing to the community in a sustainable way.

Eligibility

- 3.4 Applicants for affordable housing need to meet the following eligibility criteria:
- Earn an income within the relevant income eligibility bands
 - Demonstrate a need for affordable housing and be unable to resolve this need in the private market in the medium-long term without assistance
 - Not own any assets or property that could reasonably be expected to resolve the housing need
 - Be an Australian citizen or permanent resident, living in NSW
 - Be able to demonstrate an ability to sustain a successful tenancy
 - Provide evidence of their identity

Some specific affordable housing programs may have additional requirements that applicants need to meet to be eligible.

- 3.5 To demonstrate eligibility, applicants must submit evidence of the gross income of all household members for the 52 weeks prior. Information about the evidence we accept is available in the [Proof of Income Fact Sheet](#).
- 3.6 We then assess the household income against the income eligibility bands. These are different for each program and reviewed each year. For more information refer to the [NSW Affordable Housing Ministerial Guidelines](#).
- 3.7 Other eligibility rules may apply depending on the program. We will let people who are applying which rules apply. These may include:
- 3.7.1 Connection to the area
 - 3.7.2 Key workers
 - 3.7.3 Engaged in employment or training

Rent setting and review

- 3.8 Rent is set one of two ways, depending on the program, either
- 3.8.1 74.9% of market rent, or
 - 3.8.2 30% of the total gross income of all household members. If the customer or another member of the household receives the CRA (Commonwealth Rent Assistance), then this amount will also be included in the rent, to a maximum of 74.9% of market rent
- 3.9 We will tell people the percentage of rent that have to pay when we offer them a property.
- 3.10 Rent is finalised once the offer is accepted and reflected in the residential tenancy agreement.
- 3.11 We will review the market rent every year and any other time required by the rules. If the market rent is going to change, we will tell our customers in line with our legal duties.

Tenancy term and eligibility

- 3.12 Customers will be offered a fixed term tenancy agreement for a period of 12 months. Customers should be aware that break fees apply if they end a fixed term agreement before the end of the term.
- 3.13 To remain in affordable housing, households must continue to meet the eligibility criteria. Each program has different rules that customers need to meet to be able to keep living in the property.
- 3.14 We are required to assess a customer's eligibility each year, based on the household's annual income. This is called the "eligibility year" and is taken from the date they started the tenancy and for 12 months following.
- 3.15 If a customer remains eligible for affordable housing at the end of a fixed term tenancy, we will offer another 12-month fixed term tenancy agreement.
- 3.16 If a household's income is greater than the eligibility threshold for 2 years in a row, they will cease to be eligible for affordable housing. We will then give notice to end the tenancy at the end of the relevant fixed term.
- 3.17 We will assist the customer to identify other housing options and can allow a period of time for customers to arrange their new accommodation.

Exit strategies

- 3.18 Affordable housing is not intended to be permanent accommodation, and we aim to support customers to exit the program within 3 – 5 years. We will assist customers to access government and other schemes that support home ownership where appropriate.

Affordable properties owned by others

- 3.19 We manage a number of affordable properties that are owned by other people. The property owners can choose who manages their affordable housing and stop using properties as affordable housing in line with the appropriate funding agreements.
- 3.20 When a property owner provides notice that they wish to exit from affordable housing, we will discuss the options with both the property owners and customers.
- 3.21 If necessary, we will end the tenancy in line with the Residential Tenancy Act 2010 (NSW). See Ending a Tenancy Policy for more details.

Appeals

- 3.22 Reviews or appeals of decisions made under this policy are managed under our Compliments, Complaints & Appeals Policy.
- 3.23 In some instances, customers may lodge an appeal in the NSW Civil and Administrative Tribunal.

4 Responsibilities

4.1

Role or responsibility	Position or delegation level
Developing the process for this policy	Lettings Manager
Ensuring policy aligns with compliance obligations	Manager, Risk and Compliance
Approving Policy	Executive Manager Housing & Impact

Reporting

- 4.2 We are required to submit an annual Statement of Compliance for properties managed under NRAS, including relevant tenancy agreements, financial information, and other information as required.

Records management

- 4.3 Employees must maintain all customer records relevant to administering this policy in SDM. Asset-based information is to be stored in SPM.

- 4.4 Records in relation to NRAS including applications, use of allocation, incentives received and passed on, tenant details, and investor details are required to be retained for 5 years.

5 Definitions

Affordable Housing: housing that is suitable for the needs of a range of very low to moderate income households and priced so that these households are also able to meet other basic living costs such as food, clothing, transport, medical care, and education. Housing is generally considered affordable if it costs less than 30% of gross household income.

National Rental Affordability Scheme: A Commonwealth Government scheme offering incentives to developers and investors to rent units in new developments at 20% below market rent. Incentives are paid for a period of 10 years from completion of the development.

Social Housing: housing provided by NSW Government or a Community Housing Provider to people on very low to moderate incomes, for which a rent subsidy is payable based on the household income. Social housing is managed through Housing Pathways.

6 Related Legislation and Documents

Community Housing Providers (Adoption of National Law) Act 2012 (NSW)

National Rental Affordability Scheme Act 2008 (Cth)

National Rental Affordability Scheme Regulation 2020 (Cth)

NSW Affordable Housing Ministerial Guidelines 2020-21

Residential Tenancies Act 2010 (NSW)

Residential Tenancies Regulation 2019 (NSW)

7 Feedback and questions

- 7.1 Customers can provide feedback at any time by contacting the Customer Service Centre on 1800 004 300

- 7.2 Hume employees may provide feedback about this document by emailing feedback@humehousing.com.au

8 Approval and Review Details

Approval and Review	Details
Approval Authority	Board
Policy Owner	Executive Housing & Impact
Next Review Date	September 2024
Policy History	Details
Original Approval Authority and Date	Executive Housing & Impact
Amendment Authority and Date	October 2022
Notes	Review of Policy against legislation and update of narrative