

# Affordable Housing Policy

## Purpose

This policy outlines how Cawarra Residential operates the affordable housing programs to meet the relevant legal, program and contractual requirements.

## Scope

The policy applies to all affordable housing properties managed by Cawarra Residential and to all Cawarra Residential staff and contractors, affordable housing applicants and tenants.

## Policy Statement

Affordable Housing is designed to assist key workers, students and other people on low to moderate incomes to access rental housing. Affordable housing is leased at below market rates (typically less than 80%) so that households can afford their rent and are able to meet other basic living costs. In general, housing is considered affordable if it costs less than 30% of an individual or household's gross household income.

Cawarra Residential manages a number of affordable housing properties on behalf of private landlords, developers and government authorities. Each program has its own eligibility criteria and rent setting policies.

## Affordable housing criteria

Criteria	
NSW Affordable Housing Guidelines	<p>Properties developed under the NSW Affordable Housing Guidelines target households from very low, low and moderate incomes. The NSW Affordable Housing Guidelines criteria includes:</p> <ul style="list-style-type: none"> <li>❑ A citizen or have permanent residency in Australia</li> <li>❑ Resident of NSW and establish their identity</li> <li>❑ Able to sustain a tenancy, with or without support</li> <li>❑ In general be 18 years of age or older</li> <li>❑ Demonstrate housing need and unable to resolve this need in the medium to long term without assistance</li> <li>❑ No assets or property which could reasonably be expected to solve their housing situation</li> <li>❑ Specific income limits apply. The NSW Department of Communities and Justice update these annually.</li> </ul> <p>A copy of the guidelines can be found on the NSW Department of Communities and Justice website.</p>
ARH SEPP Affordable Housing	<p>Cawarra Residential allocates properties in accordance with the Cawarra Residential Affordable Housing Policy. The following eligibility criteria apply:</p> <ul style="list-style-type: none"> <li>❑ household is taken to be a very low income household, low income household or moderate income household if the household has a gross income that is less than 120% per cent of the median household income for the time being for the Greater Sydney (Greater Capital City</li> </ul>

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	<p>Statistical Area) (according to the Australian Bureau of Statistics) and pays no more than 25-30% of that gross income in rent</p> <p>☐ Meet all other applicable eligibility criteria outlined in the NSW Affordable Housing Guidelines</p>
Other Affordable Housing Programs	<p>Properties developed and provided under other Affordable Housing programs will have specific guidelines and criteria that Cawarra Residential will comply with to meet contractual and program requirements.</p>

## Allocation of properties and management of vacancies

Affordable Housing properties must be allocated to a mix of very low, low and moderate income households. When making allocation decisions, Cawarra Residential must balance the needs of households in rental stress with the requirement to generate sufficient income to meet operating costs.

Vacant affordable Housing properties are advertised through a number of channels:

- ☐ Strategic partnerships with key worker organisations to promote vacancies and meet specific program requirements
- ☐ Advertising vacancies on real estate websites
- ☐ Advertising on Cawarra Residential's website and social media, and
- ☐ Approaching local community housing providers with affordable housing waiting lists for potential applicants.

A copy of the affordable housing application form can be found on the Cawarra Residential website at

## Tenure and Lease Agreements

### Length of leases

Tenants are expected to be able to meet all the requirements of a standard Residential Tenancy Agreement. In general, leases and lease extensions will be for a period of one year and up to five years. Tenants who have met their tenancy obligations and who maintain eligibility for the program may be eligible to have their lease period extended.

Eligibility reviews for lease extensions will be reviewed 3 months before the end of the fixed term lease period.

All tenants must supply their current income details as part of the lease review process in accordance with:

- ☐ NSW Affordable Housing Guidelines
- ☐ Each program's eligibility criteria, policy and procedures.

The maximum renewal of leases depends on the specific guidelines for each program, up to five years as specified at sign up of the first lease.

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## *Termination of leases*

Cawarra Residential may terminate leases if there is a breach of the Residential Tenancy Agreement, if the tenant is no longer eligible for the affordable housing program, or where the maximum number of lease renewals has been reached.

In cases where tenants are no longer eligible for the program they will be asked to relocate with appropriate notice. Cawarra Residential may assist a tenant to identify alternative accommodation if required.

## *Transfer and Succession*

Tenants are not able to apply for a transfer to another affordable housing property, however, if there is a current vacancy that is better suited to their needs a tenant can apply for a property through the application process. In general, the normal notice period to vacate their current property will apply.

If the main tenant intends to vacate the property and a current household member wishes to succeed the tenancy, they will need complete the application process to be assessed for eligibility. If approved, a new lease agreement will need to be signed.

## *Changes to the Household*

Tenants are responsible for notifying Cawarra Residential of any changes to their household. A full eligibility assessment will need to be conducted if a person is to be removed or added to the household to determine if the household remains eligible for the relevant program.

## **Rent**

### *Rental bonds*

Affordable housing programs will require a rental bond of four weeks rent.

### *Rent setting*

Rent is set between 74.9% to 80% of the current market 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 household income for moderate income earners.

### *Rent payment*

Rent is charged on a weekly basis. Rent payments can be paid on a weekly, fortnightly or monthly basis provided it remains two weeks in advance as per the Residential Tenancy Agreement.

### *Rent arrears*

A tenant who falls into arrears with their rent payment will be given the opportunity to set up a repayment plan to bring their rent account up to date. Cawarra Residential will take action in the

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NSW Civil and Administrative Tribunal where arrears payment plans are not adhered to, or where the account has fallen into arrears by more than 14 days.

## *Review of Market Rent and Eligibility*

The market rent of properties is reviewed annually at the end of each lease period. Tenants will be given 60 days' notice of a rent increase and requested to provide updated income details for the household. If they continue to meet the eligibility criteria they may be approved for an extension on their current lease.

## Complaints

If a tenant or applicant is not satisfied with a service provided or decision made by Cawarra Residential they can ask for a formal review.

Cawarra Residential's Complaints and Appeals Policy outlines how we manage complaints and appeals. A copy of our policy and information leaflet is available from Cawarra Residential's office and can be downloaded from our website

If a tenant is unhappy with the outcome of an appeal to Cawarra Residential, they can lodge a second level appeal with the Housing Appeals Committee. The Housing Appeals Committee is an independent agency that reviews certain decisions made by staff of Community Housing Organisations and Housing NSW. For information on the Housing Appeals Committee call 1800 629 794 or go to [www.hac.nsw.gov.au](http://www.hac.nsw.gov.au)