

Policy for affordable private rental programs

Purpose

This policy provides the principles for operating affordable private rental programs in Tasmania to enable access to safe, appropriate and affordable private rental accommodation for low-income households.

Policy context

There are two affordable private rental programs: the Private Rental Incentives program and Family Violence Rapid Rehousing program.

They are designed to increase access to affordable rental accommodation for Tasmanians on the Housing Register who might otherwise face barriers to securing housing, such as people on low-incomes, people affected by family violence, or people experiencing homelessness.

Affordable private rental programs do this by offering financial and non-financial incentives to encourage private owners to make their properties available for affordable rent.

Homes Tasmania partners with a housing provider (currently Loreto Community Housing) to deliver the affordable private rental programs.

People seeking an affordable private rental apply for these programs through Housing Connect. Housing Connect is the entry point for assistance for people who are facing homelessness or are in housing need. Housing Connect provides support and assistance for people who need crisis accommodation through to a long-term home.

Tenant eligibility and priority

To be eligible for the affordable rental programs, applicants must:

- live in Tasmania
- be an Australian citizen, or a permanent resident, including refugee visa subclasses 200, 201, 202, 203 and 204
- be 18 years or older
- be on a low income and eligible for a Commonwealth Health Care Card
- not own land or a home of their own
- not have financial assets worth more than \$35 000. This amount includes the assets of any people who live in the household, including shares, property and money in the bank. It does not include things such as cars or household items. Self-managed super funds are also not included, and
- be able to live independently, with no previous issues in looking after a rental property.

To be eligible for Family Violence Rapid Rehousing, applicants must also:

- be homeless or at risk due of homelessness due to family violence, including perpetrators required to leave the family home.

Applicants who have had previous tenancies with the housing provider may have their tenancy history reviewed to assess their suitability for the affordable private rental programs. Applicants will be deemed ineligible if the history includes substantial rental arrears, property damage or anti-social behaviour.

People affected by family violence may have income and asset criteria waived. Housing Connect may request supporting evidence such as police or court orders.

Senior Housing Connect staff may exercise discretion in exceptional cases where no suitable alternative accommodation exists, such as for non-permanent residents.

Applications are assessed and prioritised under the Social Housing Eligibility Policy, which evaluates affordability, homelessness risk, safety, and health/mobility factors. Applicants are placed into one of three priority categories:

1. Highest priority – includes people exiting homelessness services, prison, hospital, or young people leaving care.
2. Standard priority – other high-need applicants based on health, homelessness, safety, and affordability.
3. General – in need, based on health, homelessness and affordability.

Tenancy allocations and management

Allocations are made from the Housing Register based on priority, wait time and property suitability. Once matched to a property, the housing provider contacts the applicant with an offer.

Applicants sign a residential tenancy agreement (lease) with the housing provider for up to two years depending on property availability, with renewal possible if they remain eligible and the property remains in an affordable rental program. They may also negotiate a lease directly with the property owner after exiting the program. In such cases, the housing provider ceases its tenancy management role and rent is set by the property owner.

Accepting a lease under an affordable private rental program will affect an applicant's status on the Housing Register, as follows:

- Private Rental Incentives program:
 - If an applicant accepts a two-year lease with the Private Rental Incentives program, their social housing application will be closed because they have secured housing.
 - If a two-year lease is not available with the Private Rental Incentives program, an applicant's social housing application may remain active.
 - If a tenancy under the Private Rental Incentives program is found unsuitable within six weeks, the Housing Register application can be reinstated with the original date.

- Family Violence Rapid Rehousing program:
 - If an applicant accepts a two-year lease with the Family Violence Rapid Rehousing program, their social housing application will remain open and they will retain their current level of priority.

The housing provider is responsible for tenancy and property management, including rent collection and arrears management, conducting property inspections, and addressing anti-social behaviour, maintenance and property damage. It also ensures compliance with the *Residential Tenancy Act 1997* (RTA) and access to a complaints mechanism.

Tenants affected by family violence may receive additional essential items under the Tasmanian Government's Safe at Home Flexible Supports Packages and the RSPCA's Safe Beds Program, to be coordinated by the housing provider.

Affordable rent for the Private Rental Incentives and Family Violence Rapid Rehousing programs is calculated as the lower of:

- a tenant contribution of 30 per cent of the household's gross assessable income plus 100 per cent of Commonwealth Rent Assistance eligibility, or
- 74.9 per cent of market rent.

Rents may be negotiated with the property owner but must not exceed the market rent for the property.

Market rent is based on the median rent for similar properties in the same location, as determined by the most current Real Estate Institute of Tasmania data. The housing provider will review market rent at the start of each new lease to set the household's contribution. Market rent increases are capped at 15 per cent for each lease extension.

Bond is set at four weeks' rent and must be lodged with the Rental Deposit Authority. Rent contributions that are based on the household's gross assessable income will be adjusted in accordance with any changes in the household's income.

Leases may be terminated by the tenant or the housing provider in accordance with the RTA. Support is provided to people needing housing assistance, including referrals to Housing Connect and other services.

Property owner benefits and requirements

Participating property owners receive benefits including:

- fee-free tenancy management services from a registered housing provider
- two-year lease terms with guaranteed median market rent
- effective property management compliant with the RTA.

Owners of small properties (one or two bedrooms) receive an additional annual incentive payment of \$4 500 per property.

Eligible properties must be:

- near public transport and essential services
- insured
- available for at least two years
- not for sale or under construction
- vacant at application, and
- compliant with the RTA.

Properties for tenants affected by family violence may require additional safety features, which the housing provider prioritises or arranges with owner consent.

A tenanted property may be accepted at discretion if the tenant qualifies for an affordable rental program and would struggle to find suitable housing elsewhere, or if the property has been modified to suit the tenant.

Property owners apply to the housing provider, who then confirms applicant demand and assesses the property's suitability, including a physical inspection. Properties with existing affordable rents or in low-demand areas are less likely to be considered for the programs.

Once accepted, a two-year head lease and payment agreement is signed. Owners must maintain property standards, pay for rates and general maintenance (excluding tenant-related maintenance and damage), and keep all insurances up to date. Renewals require a further two-year commitment dependent on funding availability. Properties receiving incentives continue to qualify upon renewal.

Property owners can terminate the head lease, in accordance with the RTA, which will cancel payment agreements and management services, and owners must repay incentives on a pro-rata basis.

Relevant resources

This Policy should be read in conjunction with the following:

- Social Housing Policy – www.homestasmania.com.au/social-housing-policy
- Fact sheet – Information for property owners and agents about affordable private rental programs – www.homestasmania.com.au/affordable-private-rentals
- Fact sheet – Information for applicants about affordable private rental programs – www.homestasmania.com.au/affordable-private-rentals
- Safe at Home Flexible Support Packages – www.safeathome.tas.gov.au/services/financial-support-for-victim-survivors/flexible-support-packages
- RSPCA Safe Beds program for pets – www.rspcatas.org.au/rspca-petbarn-foundation-safe-beds-program/

Reporting abuse or neglect

In Tasmania, people under the age of 18 who present to housing support providers including Housing Connect, specialist homelessness services or housing providers unaccompanied (without a parent or legal guardian) are considered children.

The Strong Families, Safe Kids Advice and Referral Line must be contacted on 1800 000 123 whenever an unaccompanied child presents to a homelessness service.

Where there are safety, risk and well-being concerns relating to family violence, housing support providers should call the Family Violence Response and Referral Line on 1800 633 937.

If elder abuse is reasonably suspected, housing support providers should call the Tasmanian Elder Abuse Hotline on 1800 441 169.

If the provider believes a member of a household is at immediate risk and police or medical assistance is required, they should call emergency services on 000.

Our contact details



Housing Policy and Programs
Manager – Housing Support Programs



housing.programs@homes.tas.gov.au



www.homestasmania.com.au