

Policy for landlord incentive programs

Purpose

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

Policy context

Landlord incentive programs are initiatives designed to encourage private landlords to rent their properties to tenants who might otherwise struggle to secure housing, such as low-income individuals, people affected by family violence, or people experiencing homelessness. These programs aim to increase access to affordable rental housing by offering financial and non-financial benefits to landlords.

The Tasmanian Government is investing in landlord incentive programs to help Tasmanians on the Housing Register into more affordable rentals as part of its commitment to deliver 10 000 social and affordable homes by 2032.

Homes Tasmania is partnering with a community housing provider (currently Loreto Community Housing) to deliver **Private Rental Incentives** and **Family Violence Rapid Rehousing**. Both these landlord incentive programs count towards the 10 000 target when a lease under the *Residential Tenancy Act 1997* (RTA) is signed by a tenant.

Prospective tenants apply for these programs through <u>Housing Connect</u>. 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 a landlord incentive program tenancy, 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.

Applicants who have had previous tenancies with the housing provider may have their tenancy history reviewed to assess suitability for a landlord incentive program. 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 and remain eligible for all landlord incentive programs. Eligible applicants include those experiencing homelessness or at risk due to family violence, as well as perpetrators required to leave the family home. 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 using the Housing Assessment Prioritisation System (HAPS), 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.

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

Accepting a two-year lease under a landlord incentive program closes all other housing applications, as the applicant has secured long-term, affordable housing. If a two-year lease isn't available, the social housing application may remain active. If a tenancy is found unsuitable within six weeks, the Housing Register application can be reinstated with the original date.

Tenancy management is provided by Loreto Community Housing, who ensures property suitability, manages tenancy agreements and payments, oversees rent collection and arrears, conducts inspections, and addresses anti-social behaviour and property damage. It also ensures compliance with the RTA and provides access to a complaints mechanism.

Tenants affected by family violence may receive additional essential items under the Tasmanian Government's <u>Flexible Supports Packages</u> and the RSPCA's <u>Safe Beds</u> for Pets Program, to be coordinated by the housing provider.

Affordable rent for landlord incentive 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 (CRA) 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 latest 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 households income.

Leases may be terminated by the tenant or Loreto Community Housing per the RTA. Support is provided to prevent homelessness, including referrals to Housing Connect and other services.

Landlord benefits and requirements

Property owners participating in a landlord incentive program receive benefits including:

- fee-free tenancy services from a registered community 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.

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 Loreto Community Housing prioritises or arranges with owner consent.

Discretion may be applied to accept tenanted properties if the tenant would struggle to find a suitable rental if their tenancy was not continued, for example if the tenant is a family violence survivor needing affordability or has specific health/disability requirements.

Property owners apply through Loreto Community Housing, who then assesses demand and suitability. Properties with existing affordable rents or in low-demand areas are less likely to be accepted. Approved properties undergo an inspection to ensure eligibility.

Once accepted, a two-year headlease 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 program funding availability. Properties receiving incentives continue to qualify upon renewal.

Early termination of the headlease, in accordance with the RTA, cancels payment agreements and management services, and owners must repay incentives on a prorata basis.

Relevant documents

This Policy should be read in conjunction with relevant policies and procedures, including:

- Housing Assessment Prioritisation System (HAPS)
- Fact sheet Information for property owners and agents about landlord incentive programs
- Fact sheet Information for applicants about landlord incentive programs

Reporting abuse or neglect

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

The Strong Families, Safe Kids Advice and Referral Line (ARL) must be contacted on 1800 000 123 whenever an unaccompanied child under 18 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 on 000.

Our contact details



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