

Building homes, creating communities.

Policy for Private Rental Assistance

Purpose

This policy provides the principles for administering Private Rental Assistance (PRA) to help people establish and maintain private rental housing.

Policy context

PRA provides one-off financial assistance to Tasmanians on low incomes so that they can access or maintain safe, appropriate and affordable housing. PRA is provided to <u>Eligible Persons</u> under the <u>Homes Tasmania Act 2022</u> and in line with the requirements of the <u>Residential Tenancy Act 1997</u> (RTA).

The Tasmanian Government is committed ensuring more affordable housing is available to Tasmanians. Priority 3 of the <u>Tasmanian Housing Strategy 2023-2043</u> commits to 'improve private market affordability and stability'. PRA is funded by the Tasmanian Government to make private rental accommodation more accessible for Tasmanians on low incomes.

PRA aims to assist people who can independently afford private rental accommodation but are experiencing temporary financial barriers to accessing or maintaining a private rental tenancy. PRA is not an ongoing subsidy.

Eligible Tasmanians apply for PRA through <u>Housing Connect</u>. Housing Connect is the entry point for people who are facing homelessness or in housing need to access assistance. Housing Connect provides support for people who need crisis accommodation through to a long-term home.

Provision of PRA

Eligibility

To access PRA, applicants must be seeking to establish or maintain an affordable tenancy in the private rental market, and:

- live in Tasmania
- be an Australian citizen, or a permanent resident including refugee visa subclasses 200, 201, 202, 203 and 204
- be 16 years of age or older
- be on a low-income and eligible for a Commonwealth Health Care Card

- not own land or a home of their own, and
- not have financial assets worth more than \$35 000, such as shares, property and money in the bank. It does not include cars or household items.
 Superannuation funds that cannot be accessed, and self-managed superannuation funds are also excluded.

Eligible tenancies

The intent of PRA is to enable access to long-term housing through affordable private rental tenancies.

A private rental tenancy secured by PRA is considered affordable if the rent is at or under 30 per cent of the household's combined weekly gross income.

When assessing eligibility for PRA, Housing Connect will review the income to rent ratio to ensure the weekly market rent amount does not exceed 30 per cent of the household's combined weekly gross income.

Housing Connect will request evidence of tenancy via a <u>Notice of Rental Premises</u> <u>form</u> and applicant income details (eg payslips) to determine whether the tenancy is sustainable and therefore eligible for PRA.

Tenancies in subsidised programs, including social housing or other affordable private rentals, are not eligible for PRA.

Applying discretion to eligibility criteria

Discretion can be applied to the PRA eligibility criteria, once all other options for assistance have been exhausted.

Some examples of when a Housing Connect senior worker may approve discretionary PRA assistance include:

- people experiencing significant financial hardship whose income exceeds Commonwealth Heath Care Card thresholds
- home ownership and financial assets for people who are particularly vulnerable such as those escaping family violence
- households paying more than 30 per cent of their gross income in rent, where a
 household budget demonstrates the rent amount is affordable and sustainable,
 and
- bond payments for tenancies under the affordable private rental programs.

Types of assistance

PRA financial assistance can be provided in the form of:

- bond
- rent in advance
- rent arrears for a current tenancy
- relocation assistance
- starter packs

Bond

PRA bonds are paid directly to the Rental Deposit Authority on the applicant's behalf, using MyBond.

It is expected the bond amount is returned in full to Housing Connect at the end of the tenancy.

The percentage of bond paid by PRA will depend on the individual circumstances of the applicant and may be provided in conjunction with other assistance (eg rent in advance).

Rent in advance

Up to two weeks' rent in advance to establish new private rental tenancies will be paid directly to the landlord or real estate agent.

Rent arrears

Rent arrears can only be provided through PRA if a Notice to Vacate has been issued and the landlord or real estate agent confirms that the tenant will maintain their tenancy on payment of rent arrears.

PRA payments for rent arrears will be made directly to the landlord or real estate agent.

Relocation assistance

PRA payments can be made to a removalist, truck or trailer hire firm to provide relocation assistance as part of establishing a new private rental tenancy.

PRA relocation assistance cannot be used for storage fees unless the applicant is escaping family violence.

Applicants seeking PRA relocation assistance must provide three quotes to Housing Connect. If the PRA application is approved, the lesser of the quotes will be authorised for direct payment.

Insurance for the transported items is the responsibility of the applicant and the applicant must sign an indemnity acknowledging that Housing Connect is not liable for damage, loss, theft or destruction of the goods in transit.

Starter packs

Starter packs are provided to assist people to purchase household items for new tenancies. A \$100 grocery store gift voucher is available for people moving into their first private rental or who have recently arrived in Tasmania as part of the Humanitarian Settlement Program.

Non-financial assistance

Housing Connect can also provide non-financial support for applicants including:

- advocacy
- referrals to other services both within and outside of Housing Connect
- information, and
- budgeting assistance and advice.

Limits

The maximum amount of assistance available is the equivalent of four weeks' rent, based on the rent amount for the property.

Where an applicant is entering or maintaining a tenancy in a share-house, assistance is determined on a pro-rata basis, based on the proportion the applicant is responsible for.

Applicants are eligible for PRA every 12 months, provided they continue to meet the eligibility criteria.

Applicants who have received PRA for a bond that has been returned in full may reapply for a new bond payment within the same 12-month period.

Applying discretion to limits

Where all other options for assistance have been explored, senior Housing Connect staff may approve discretion to PRA assistance limits. Examples of applying discretion to the assistance limit may include when an applicant:

- is disputing a claim on their previous bond
- is unable to pay bond and two weeks' rent but will be able to sustain their tenancy ongoing if additional assistance is provided, or
- has a current tenancy at risk with rent in arrears greater than four weeks and can demonstrate their ability to sustain the tenancy upon payment of the arrears.

Relevant documents

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

Private Rental Assistance fact sheet

Reporting abuse or neglect

In Tasmania, people under the age of 18 who present to homelessness services 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 wellbeing 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 1300 665 663



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