

**AFFORDABLE  
HOUSING  
MANAGEMENT  
GUIDELINE**

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## Affordable Housing Management Guideline

Council has recognised the need to facilitate affordable rental housing to help alleviate housing stress experienced by some individuals and families in the private rental housing market in the City of Canada Bay.

Affordable rental housing in the City of Canada Bay will be made available to individuals and families who meet the eligibility criteria. This will assist very-low to moderate income households by providing enhanced rental housing security whilst enabling them to establish savings for the private rental market or home ownership.

## Identification of Strategic Sites

To maximise the viability of affordable rental housing in the City of Canada Bay, Council will identify strategic sites close to public transport hubs and/or employment areas in the City of Canada Bay Local Government Area as potential affordable rental housing sites, enabling affordable housing residents' easy access to public transport, employment and services.

## Eligibility Criteria

Recipients of affordable rental housing in the City of Canada Bay will be required to meet the income criteria as set by the Australian Government National Rental Affordability Scheme and/or eligibility criteria as set out in Council's Affordable Housing Policy.

### Income

As determined annually under the National Rental Affordability Scheme. This would be reviewed annually by the Australian Government in accordance with the National Rental Affordability Scheme (NRAS) tenant income index.

### Additional Criteria

- Permanently employed and meeting the gross weekly income criteria as set out above.
- Australian citizen or permanent resident who is not in living in subsidised housing (NSW Department of Housing or Community Housing Managed Accommodation).
- Does not own property or assets which could be used to assist their housing needs.
- Priority will be given to applicants working in the City of Canada Bay LGA and who are permanently employed in the following sectors in the City of Canada Bay or surrounding regions.

### Employment

- Health Services (including support and ancillary staff)
- Childcare
- Public Primary or Secondary Education (including support and ancillary staff)
- Emergency Services (including support and ancillary staff)
- Public Transport
- City of Canada Bay Employee
- Retail
- Labourers
- Manufacturing
- Hospitality
- Others

Note: National Rental Affordability Scheme income levels will affect the type of position held with these industries. For example a nurse may earn over the initial income limit and may therefore be ineligible. However ancillary health workers are more likely to meet the income eligibility criteria.

## Concord Hospital

Six (6) of the twenty four (24) affordable housing dwellings to be owned by Council are to be accessible to Concord General Repatriation Hospital staff who meet the eligibility criteria, as resolved by Council on 16 August 2005.

In the event that any of these six (6) units are not taken up by Concord General Repatriation Hospital staff they will then be offered to other recipients who meet the eligibility criteria as stipulated within this Policy.

## Management of Affordable Housing Stock

Council will outsource the management of the affordable rental housing dwellings to a Housing manager with demonstrated experience and expertise in the management of affordable housing. Selection of the Housing manager to manage the dwellings will be conducted in accordance with Council's Procurement Policy. The affordable housing dwellings will be offered for rental at below market rental prices in accordance with National Rental Affordability Scheme regulations.

Council will enter into a management agreement for the affordable rental housing dwellings with the successful Housing manager following the selection process. This will be a fixed term contract to be reviewed annually. A Council inter-departmental project group will be involved in the ongoing management of the Affordable Housing program and management agreement. The management agreement will clearly delineate the responsibilities of both Council and the Housing manager including but not limited to the following:

- Tenant selection and interview process;
- Management of the affordable housing rental dwellings, including tenure;
- Setting of rental and rental review mechanisms;
- Determination of tenants' ongoing eligibility;
- Payment of management fees by Council;
- Conduct and frequency of dwelling inspections;
- Payment of rental by Housing manager to Council;
- Privacy and confidentiality of Council and tenant information;
- Representation on the Owners Associations;
- Conflict resolution;
- Representation at Residential Tenancy Tribunal;
- Maintenance and capital works;
- Variation to tenant eligibility criteria;
- Maintenance of a register of eligible applicants;
- Housing manager to report to Council in accordance with the Management Agreement; and
- Housing Manager and Council to report in accordance with National Rental Affordability Scheme criteria.

A standard residential tenancy lease will be entered into between the tenant and the Housing manager pursuant to the provisions of the Residential Tenancies Act 1987.

## Setting of Rent

Weekly rent for each affordable housing dwelling will be set at no more than 75% of weekly market rent for a comparable dwelling or 30% of National Rental Affordability Scheme eligible income amount. A mix of rental income at 75% market rent and 30% National Rental Affordability Scheme eligible income will be implemented to ensure the Affordable Housing Program is financially sustainable.

The housing manager will endeavour to implement a rental lifting strategy that incorporates:

- targeted promotion following some vacancies to dual income and or higher income couples or families (within the bands of the eligibility criteria) for placement in 2 or 3 bedroom properties;
- targeted income assessment for some dual and higher income earners (within the bands of the eligibility criteria) to select the higher rental amount of 30% income or 75% market rent ; and
- that properties be tenanted, as usual, in the absence of applicants for which a rental lifting strategy would apply.

## Asset Management

The affordable rental housing dwellings owned by Council will be classified as 'operational' for the purposes of allowing Council to conduct ongoing consolidation of its affordable housing stock .

The affordable housing portfolio will be reviewed every 5 years to determine whether dwellings should be disposed of and replaced or retained and further funds provided for their maintenance or renewal.

The five year review term considers:

- Timeframes for asset renewals such as painting and replacing floor coverings
- Tenancy terms
- Changes in market trends and values

Consideration will also be given to the results of the program to date and the type and size of dwelling considered most suitable to deliver the objectives of the program.

This strategy aims to minimise Council's ongoing maintenance and renewal obligations and costs as the dwellings age.

## Fund Management

Rental income received from affordable housing stock will be managed in accordance with National Rental Affordability Scheme criteria. Rental income will be directed to investment fund holdings to earn interest to benefit future purchase of affordable housing stock and will be re-invested in existing affordable housing stock in the form of property maintenance and renewal and replacement.

## Review and Project Evaluation

The City of Canada Bay Affordable Housing Management Guideline is to be reviewed annually to ensure that it is consistent with National Rental Affordability Scheme requirements and other developments associated with the provision of Affordable Housing and to ensure that the program is operating efficiently.

Some of the factors to be taken into consideration in the evaluation may include but not be limited to:

- Size, type and locational appropriateness of dwellings;
- Maintenance and management issues;
- Retention and use of affordable housing revenue by Council;
- Social capital objectives – community building and connectedness;
- Access to and use of support services by tenants;
- Economic impacts on local business;
- Performance of the Housing Manager in accordance with the Management Agreement;
- Internal management issues for Council; and
- Economic improvement of tenants.