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| Guidelines for registered housing agencies |
| Tenant eligibility and rent setting for properties funded by the Department of Health and Human Services |

# Introduction

A key way the Victorian Government offers affordable housing to those unable to afford or access the private housing market is by partnering with Registered Housing Agencies (RHAs) to provide community housing.

The Department of Health and Human Services (DHHS) has established policies to ensure that government funds provided to RHAs are targeted to those most in need. Compliance with these policies is generally a written condition of capital grant funding or stock transfer.

This document explains the income limits and eligibility guidelines for RHAs that have received capital grant funding or transferred stock from DHHS. RHAs are required to report to the Housing Registrar on compliance with these criteria.

## Eligibility

The income and asset eligibility for community housing funded by DHHS is outlined can be found at <http://www.housing.vic.gov.au/social-housing-income-and-asset-limits>

### Other eligibility criteria

RHAs have the discretion to determine their own policy approach for other eligibility criteria, like permanent residency and outstanding debts to the Director of Housing.

## Rent setting and affordability

RHAs are required to set rents which are affordable for tenants while maintaining financial viability.

For lower income households, the ‘Net Rent’ charged at the commencement of a tenancy should be set at no more than 30% of gross household income. ‘Net Rent’ is the rent charged to tenants minus Commonwealth Rent Assistance. Details of the 30% limit are outlined in the following table:

**Household Income Limits for 30% Net Rent Requirement for tenants of DHHS funded community housing**

|  | **Household size(Includes children of any age)** |
| --- | --- |
| **Cut off point for 30% Net Rent\*\* Requirement** | **1 Person** | **2 Persons** | **3+ Persons** |
| **Tenants earning under these amounts should not pay more than 30% of household income as net rent** | $702 gross per week($36,586) | $1,078 gross per week($56,200) | $1,489 gross per week($77,645) |

*\*\* Applicable from 1 October 2019. Gross household income from all sources is used, net of Commonwealth Rent Assistance. Calculations based on the maximum income eligibility limits for Commonwealth Rent Assistance.*

RHAs will be required to report to the Housing Registrar on the rent charged for low income households, and to have hardship provisions in place for those instances where tenants’ income reduces significantly.

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