

What could IPART's review mean for me?

We are reviewing the rules around who is eligible for social housing and how much tenants pay in rent. We have released a draft report that sets out our recommendations for improving the current rules.

This paper explains how our review would affect tenants if the NSW Government decided to implement our recommendations. We want to hear what you think before we make our final recommendations to the Government. No changes have been decided on at this stage.



Would my rent increase?

We are not suggesting major changes to the way tenants' rent is calculated

Most tenants pay 25% of their household income in rent. Some pay between 25% and 30%. We think this is as much as they can afford. The Government would pay social housing providers the difference between the market rent and what tenants pay.

Some tenants would pay a bit more

Some tenants pay less than others with the same income because some of the benefits those tenants receive are fully or partially excluded in calculating their rent. We think all types of income for general living expenses should be treated the same, so tenants with the same income pay the same percentage in rent. This would not affect the benefits you receive for a special purpose (eg, child care benefits or rebates).

Your rent would increase by up to \$10 per week from these changes if you receive:

- ▼ Family Tax Benefits Parts A and B. Currently, only 15% of this income goes towards rent. We think it should be 25%.
- ▼ Pension Supplement. Currently, this income is not counted towards rent. We think it should be counted when calculating the rent.

We are suggesting that if the increase in your rent is more than \$10 a week due to the new calculation method, the increase would be phased in over time.

Some tenants currently pay market rent because their income is higher than the limit for rent assistance. These tenants can afford private rental housing. If you want to stay in social housing because it is more secure than renting privately, we are proposing that you should pay a bit more in rent.

If your income is above the limit to receive rent assistance, we think you should pay an extra 5% to stay in social housing.



Would my eligibility for social housing change?

No, we are not proposing any changes to the eligibility criteria for social housing.



What else would change for me?

We are proposing to:

- ▼ make it easier for you to look for a job or do further study or training
- ▼ support you if you can afford and want to move into the private rental market
- ▼ improve the quality of social housing, and increase the amount of social housing over time.



How would it be easier for me to work, study or train?

We think all social housing leases should be continuous leases, so you can take up work opportunities without worrying about losing your social housing tenancy.

This would benefit you if you are a public housing tenant and your lease is for a fixed term (eg, 2, 5 or 10 years).

When you do get a job or increase your work income, we think you should have 6 months' breathing space before your rent changes. After 6 months, you should pay 25% to 30% of all your income, like other tenants. Or, if you are no longer eligible for rent assistance, you should have two choices:

- ▼ stay in social housing and pay the market rent plus 5% for security of tenure, or
- ▼ get one-off assistance to move to private rental – for example, a bond loan and rent in advance (like you can get now) as well as some moving expenses.

We also think Family and Community Services (FACS) should better match social housing properties to your needs. For example, households where someone goes to school, or with someone who could work, should live close to education and employment opportunities.

This would benefit you if your household includes children, or people who are able to work.

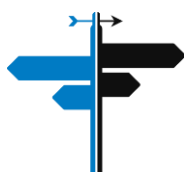
To do this, FACS would need to review your needs every few years, to assess whether the property still matches your needs. FACS may also need to help you move, if you live in a property that doesn't match your needs.



How would it be easier for me to move to private renting?

You would not lose your place in the social housing waiting list when renting privately

When you move to private rental, we think you should be able to keep your place in the social housing waiting list for 2 years. This gives you a safety net – if you need to return to social housing you wouldn't go back to the end of the waiting list.



How would social housing improve?

We think social housing needs better funding for maintenance and investment

We think that the Government should pay social housing providers the 'gap' between the tenant's rent payment (25% to 30% of household income) and the market rent for the house or flat.

This would make sure the housing providers earn enough money to maintain social housing in a good condition, and to invest in new properties.

We also think FACS should better plan how many new properties of different sizes are needed, and where they are needed. FACS should then work with the social housing providers so these dwellings are built.



I'm getting private rental assistance. Would that change?

No, we are not suggesting any changes to private rental assistance.



I'm Aboriginal. What would change for me?

If you are in public or community housing, everything above would apply to you.

If you are in Aboriginal Community Housing, the changes discussed above would not affect you at this stage. There are already changes being made to how rents for Aboriginal Community Housing are set, and we support these changes.

However, we think FACS and the Aboriginal Housing Office (AHO) should talk with Aboriginal people to see whether our recommendations for better matching housing with the tenant's characteristics and needs could be applied to Aboriginal Community Housing.

Changes to Aboriginal Community Housing rents are being made under the Build and Grow rent policy, overseen by AHO.