

Allocations manual

Introduction and conditions of public housing offers

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Definitions

Refer the register's Definitions operational guidelines

Term	Definition
Anti-social behaviour	See Other tenancy breaches
Bungalow	see Sleepout
Car parking agreement	An agreement signed by the tenant and the landlord's representative at the time of allocation of a car parking bay.
Direct debit payment	Method of rental payment which involves the automatic debiting of rent from a tenant's financial account – may be either through Centrelink or a financial institution.
Direct tenure housing	The leasing of a department property to an eligible tenant. The responsibilities of both landlord and the tenant are covered by a residential tenancy agreement.
Existing tenants	An 'existing' tenant is a tenant in public housing prior to 17 November 1997. An existing tenant will retain this status in the following circumstances: <ul style="list-style-type: none"> a) a Priority access transfer b) a transfer to a spouse in circumstances where a couple commenced a tenancy together but only one of them originally signed the residential tenancy agreement c) where a tenant leaves a household, and the existing tenants remain and sign a new residential tenancy agreement d) when a transfer is required because the tenant has been declared bankrupt and a new tenancy is created.
Hard to let	A property is defined as 'hard to let' when three valid offers have been made to three separate applicants from the waiting list, and the reason for refusal in all three cases is that the housing is unsuitable or unsatisfactory.
Joint tenants	All signatories to a residential tenancy agreement who are jointly and severally responsible for the tenancy.
Market rent	The rental amount specified in the residential tenancy agreement, calculated as the amount the Director of Housing could receive for the property on the private rental market. Market rents are based on property valuations by an independent valuer and are generally reviewed annually.

Term	Definition
Maintenance Claim against the Tenant (MCAT)	The cost of maintenance works carried out on a tenant's rented premises that the department believes to be the responsibility of the tenant. These charges have not been substantiated and do not appear on the tenant's account.
Minimum standard	Minimum work that is carried out to all vacated properties, in accordance with the Residential Tenancies Act 1997 , which states that all properties offered for rental must be clean, safe and secure.
New tenants (Tenure type)	<p>A 'new' tenant is a tenant who enters into a tenancy agreement on or after 17 November 1997 that has a five-year review tenure review. An 'existing' tenant will become a new tenant (will no longer have a non-review tenure type) if at any time after 17 November 1997:</p> <ul style="list-style-type: none"> • the tenant transfers under a General housing application (now Register of Interest), unless the transfer is recognised by the local office as achieving under-utilisation or relocation objectives • the tenant transfers as part of a mutual swap • a new tenancy agreement is signed as a result of changes to household composition (except transfers of tenancy as listed below: <ul style="list-style-type: none"> – a transfer to a spouse in circumstances where a couple commenced a tenancy together but only one of them originally signed the residential tenancy agreement – where a tenant leaves a household, and the existing tenants remain and sign a new residential tenancy agreement – when a transfer is required because the tenant has been declared bankrupt and a new tenancy is created. <p>Note: <i>New tenants aged 65 years and over are deemed to have non-review tenure type.</i></p>
Non-standard maintenance items	Items not supplied by the department which the tenant can supply at their own expense, providing a works permit has been approved by the local office, e.g. air conditioners.
Other tenancy breaches	Breaches of the Residential Tenancies Act or residential tenancy agreement for matters other than rental arrears.
Outstanding charges	Costs that have been charged against a tenancy where the due date of payment has expired. Outstanding charges include all charges defined in this chapter.

Term	Definition
Parking bay sticker	Identifying label provided to tenants who are allocated a car parking bay.
Rebate	Amount of discount in rent that a tenant is entitled to after calculation of their rent payable. The rent payable is the market rent less the rebate.
Rebated rent	Amount of rent actually paid by a tenant who is entitled to a rental rebate, assessed on the gross income of the tenant and their household. The rebated rent is the market rent less the rebate.
Rent payable	See Rebated rent .
Request for a car parking bay	Form used by tenants to apply for a car parking bay.
Service charge	A charge that the department adds to the rent payable for the provision of hot water, heating and the use of communal laundries to high rise and walk-up housing.
Sign up	Process where applicant(s) sign a statutory declaration regarding ownership of land, house, flat or unit and a residential tenancy agreement upon entering a tenancy. Following the sign-up, the applicant/s is referred to as the tenant.
Sleep out	Portable one room building constructed in the back yard of a property.

Purpose and scope

Purpose statement

The purpose of the Allocations policy is to ensure that public housing assistance is provided in an equitable and efficient manner and that households most in need are assisted first. The Allocations policy states the policies and procedures followed by the department to allocate public housing properties.

This manual aims to ensure the department provides a fair and consistent application of policy for all clients.

Scope

The Allocations policy applies to all public housing applicants.

Overview

The Allocations Manual is to be used in conjunction with the Victorian Housing Register's (the register) **Eligibility policy framework and operational guidelines**, as well as departmental manuals and operational guidelines. In addition to satisfying the register's eligibility requirements, households must meet the following conditions before an offer of public housing can be made:

Independent income

Applicants and all non-dependent household members must be in receipt of an independent income, as defined in the register's **Eligibility policy framework and operational guidelines**.

Outstanding charges

Refer Bankruptcy operational guidelines in the Tenancy Management manual

Applicants or other household members who have outstanding charges can be approved to the register. However, an offer of public housing is not made until the conditions outlined in **Table 1** have been met.

Outstanding charges include:

- rental arrears (including service charges)
- water consumption charges (debited to maintenance accounts between 1991 and 1994)
- outstanding bond loans
- maintenance arrears (only those charges which have been substantiated appear as a Tenant Responsibility (TR) charge on the rental account statement).

If the outstanding charges were accrued from a joint tenancy or loan and only one of the signatories to the tenancy or loan reapplies for public housing, the outstanding charges are apportioned equally according to the number of signatories to the residential tenancy agreement or bond loan application. For example, if a group household of three people received \$450 bond, they are each required to repay \$150 before they can be offered housing.

As joint tenants are 'jointly and severally' responsible for the account, they are also required to sign a repayment agreement to repay the outstanding portion of the debt.

Pre-September 1991 and pre-June 1997 maintenance charges

Applicants or household members who have a pre-September 1991 maintenance debt that has been written off are not excluded from rehousing due to this debt.

Applicants who have a pre-14 June 1997 maintenance charge are not excluded from rehousing due to this debt if:

- the charge is past the statute of limitations and has not been substantiated, or
- the charge has not been substantiated at VCAT.

Note: Rental and maintenance arrears accrued prior to 5 August 1989 can be found on microfiche. Finance and Corporate Services Branch have all microfiche data. An account number is required to locate the data on microfiche.

Bond loans

As referred to in the **Bond Loan Scheme manual**, bond loans do not need to be repaid where:

- it is demonstrated that the bond has been illegally withheld by the landlord

- the bond is retained by the landlord as the tenant could not provide sufficient notice of their intention to vacate due to their requirement to commence public housing tenancy.

Note: Prior to 19 January 1998, applicants were not required to repay outstanding bond loans prior to signing a department residential tenancy agreement

Table 1 Conditions for outstanding charges

Register category	Priority reason	Repayment requirements
Emergency management housing		<p>Long-term housing: a repayment agreement must be made and maintained. There is no minimum repayment period prior to an offer of housing being made.</p> <p>No requirement to repay outstanding charges when applying for:</p> <ul style="list-style-type: none"> • emergency housing • temporary housing • short-term housing • donated housing.
Priority transfers	Safety issues	A repayment agreement must be made and maintained. There is no minimum repayment period prior to an offer of housing being made.
	Manifestly unsuitable housing	A repayment agreement must be made and maintained. There is no minimum repayment period prior to an offer of housing being made.
	Uninhabitable housing	A repayment agreement must be made and maintained. There is no minimum repayment period prior to an offer of housing being made.
	Family re-unification	A repayment agreement must be made and maintained. There is no minimum repayment period prior to an offer of housing being made.
	Stock utilisation	Negotiated on a case by case basis.
	Move out of a property	No requirement to repay outstanding debt prior to transfer.
	Move back to redeveloped area	Negotiated on a case by case basis.
	Transfers from movable units	No requirement to repay outstanding debt prior to transfer.
Homeless with support	All	<p>A repayment agreement must be made and maintained. There is no minimum repayment period prior to an offer of housing being made.</p> <p>The minimum repayment agreement amount is \$5.00 per week or \$10 per fortnight.</p>

Register category	Priority reason	Repayment requirements
Supported housing	All	<p>Outstanding charges of up to \$200 must be made in full.</p> <p>Outstanding charges of over \$200 require:</p> <ul style="list-style-type: none"> • a lump sum payment of \$200, and • a repayment agreement made and maintained for a minimum of three months prior to offer. <p>The minimum repayment agreement amount is \$5.00 per week or \$10 per fortnight.</p> <p>Exceptions to lump sum payment requirements</p> <p>Applicants applying for Supported housing who are also experiencing:</p> <ul style="list-style-type: none"> • physical danger • family violence <p>are not subject to the \$200.00 lump sum and the three months' repayment restriction. Applicants are however, required to maintain the agreement from the time that it is signed.</p>
Temporary absence		<p>A repayment agreement must be made and maintained. There is no minimum repayment period prior to an offer of housing being made.</p> <p>Tenants currently in prison are not required to sign a repayment agreement until release.</p>
Special housing needs category	Insecure housing	<p>Outstanding charges of up to \$200 must be made in full.</p> <p>Outstanding charges of over \$200 require:</p> <ul style="list-style-type: none"> • a lump sum payment of \$200, and • a repayment agreement made and maintained for a minimum of three months prior to offer. <p>The minimum repayment agreement amount is \$5.00 per week or \$10 per fortnight.</p>
	Inappropriate housing	<p>Outstanding charges of up to \$200 must be made in full.</p> <p>Outstanding charges of over \$200 require:</p> <ul style="list-style-type: none"> • a lump sum payment of \$200, and • a repayment agreement made and maintained for a minimum of three months prior to offer. <p>The minimum repayment agreement amount is \$5.00 per week or \$10 per fortnight.</p>
	Unsafe housing	<p>A repayment agreement must be made and maintained. There is no minimum repayment period prior to an offer of housing being made</p>

Register category	Priority reason	Repayment requirements
Special housing needs category (cont'd)	Urgent medical needs	<p>Outstanding charges of up to \$200 must be made in full.</p> <p>Outstanding charges of over \$200 require:</p> <ul style="list-style-type: none"> • a lump sum payment of \$200, and • a repayment agreement made and maintained for a minimum of three months prior to offer. <p>The minimum repayment agreement amount is \$5.00 per week or \$10 per fortnight.</p>
Register of Interest		All outstanding charges must be paid in full prior to an offer of housing being made.

Where the agreed weekly payments are honoured, any payments exceeding this amount can be accumulated to constitute the lump sum payment. For example, \$20 per fortnight over 10 fortnights plus the regular minimum agreement amount of \$5.00 per week.

Bankruptcy

Refer Bankruptcy operational guidelines in the Tenancy Management manual

Applicants or other household members who have outstanding charges that are subject to bankruptcy may be offered housing.

Note: Prior to 2 April 2002, the household could not receive an offer of housing for a period of 12 months from the date of approval on the housing application or from the date bankruptcy was declared if already approved to the waiting list.

Prior to 2 April 2002, applicants or other household members approved to the Supported housing or Special housing needs category who had previous debts subject to bankruptcy orders could not receive an offer of housing for a period of three months from the date the early housing application was approved. Households already approved to the Special housing needs category could not receive an offer of housing for a period of three months from the date they were declared bankrupt.

When a person is declared bankrupt, any outstanding charges up to the date they were declared bankrupt are not recoverable by the department. However any outstanding charges accrued after that date must be paid in full prior to an offer of housing.

The applicant must provide documentation confirming they have been declared bankrupt. This may include:

- Notification from the Receiver's Office
- Notice to creditors
- Statement of affairs
- Certificate of discharge.

The statute of limitations

Although the department is unable to pursue statute-barred debts in a court or tribunal, the department as a matter of policy requires that applicants and all other household members pay all outstanding charges in full, or their portion of the debt, prior to being offered housing.

Note: The statute of limitations provides that creditors must commence legal proceedings to recover outstanding monies within a specified period of time. Where outstanding charges occur under a residential tenancy agreement, landlords must commence legal proceedings within six years from:

- the date the outstanding charge first occurred, or

- *the date on which the client acknowledged the outstanding charge, for example, signed an agreement to repay, or*
- *the date a part payment was made.*

Other tenancy breaches

The department is reviewing the policy and procedures relating to the approval of applications to the Register of Interest where:

- the department had previously obtained an order for possession for a tenancy breach (excluding rental arrears), such as anti-social behaviour
- **RTA (s.243 & 244)** an Immediate Notice to vacate for dangerous behaviour or malicious damage had been issued, and either an order for possession was granted or the case was not heard at VCAT as the tenant vacated prior to the hearing date.

While this policy is being reviewed staff should refer individual cases to a Team Leader (VPS4 or above).

Ownership of real estate

Applicants or other household members who own real estate can be approved to the register and offered public housing, as per the register's **Eligibility policy framework and operational guidelines**. Once housed however they will be reassessed for eligibility for public housing every six months to determine whether they:

- can occupy or sell their equity in their own property
- meet the department's asset limits for the Register of Interest if that property has been subsequently sold.

Once housed, tenants who do not meet department asset limits for the Register of Interest or do not choose to sell their equity in the property, where there is no impediment for them to do so, will be required to vacate the department property and may be issued with a 120-day Notice to vacate. The Director, Service Implementation & Support must give approval for a 120-day Notice to vacate to be sent.

Procedures

Human rights considerations

In deciding what action to take, staff will consider the potential impact of proposed action taken through these procedures on the person's (and their household's) rights under the **Charter of Human Rights and Responsibilities Act (2006)**.

Any person taking action in line with these procedures must:

- understand the objective and rationale of the actions they are taking under these operational guidelines
- consider the impact of proposed action on the person's Charter rights
- consider whether the proposed impact is balanced and proportionate and necessary to achieve that objective, and
- choose the least restrictive measures available.

The [Charter of Human Rights and Responsibilities – A guide for Victorian Public Sector Workers](http://www.humanrightscommission.vic.gov.au) is available at <www.humanrightscommission.vic.gov.au>

Outstanding charges

At application assessment stage, check for outstanding charges

If the applicant has not negotiated a repayment agreement, check in HiiP whether they or any other household member has outstanding charges owing to the department.

If there are outstanding charges, add them all together to determine the total amount, i.e. bond loans, vacated rental arrears, plus any substantiated maintenance charges and outstanding utility charges.

Continue to assess their eligibility for the register.

After the application is approved - If there are outstanding charges

If the application has been approved to the register in principle subject to the applicant meeting the repayment requirements, check that they have signed a repayment agreement.

If the applicant has not signed an agreement contact them, either by telephone or in writing, to make an appointment to negotiate and sign a repayment agreement.

For the **Register of Interest category**, explain to the applicant that they must pay the outstanding charges in full before an offer of public housing.

For **Priority access categories**, refer to **Table 1** for repayment requirements.

Explain to the applicant that they must meet repayment requirements before an offer of public housing is made.

Applicants in prison or approved for the Homeless with support category under the Corrections Housing Pathways initiative are generally not in receipt of an independent income at the time of approval, and therefore the start date of an agreement is subject to the receipt of an income upon release from prison.

When housed, the repayment agreement must be honoured until the outstanding charges are paid in full.

Scan the signed agreement into HiiP and attach it to their application.

Ownership of real estate

If applicants with property interests are approved for housing due to special circumstances, inform them at offer stage their public housing tenancy will be reassessed every six months. Also inform them in writing that they will be issued a 120-day Notice to vacate if they:

- are not taking reasonable steps to either occupy the property or to receive their share or interest in the property
- have sold their property and the money they receive as a result of the sale places them over the register's asset limit.