

Private rental assistance guidelines

Introduction

These guidelines set out the department's expectations and minimum program requirements for agencies delivering private rental assistance.

The guidelines are intended to ensure agencies implement private rental assistance that is consistent with program objectives, supports ongoing improvement and provides accountability for the outcomes achieved with service users.

Private rental assistance is intended to be a preventative intervention that provides holistic support to households vulnerable or at risk of becoming homeless. It should be made available in a flexible manner, to deliver support and practical assistance that is tailored to the needs of each household.

Objectives of private rental assistance

Private rental assistance is intended to prevent or end homelessness and housing crisis by:

- Rapidly rehousing people capable of sustaining private rental after initial support
- Support at risk households to sustain affordable and appropriate housing in the private rental market
- Assist people who currently live in crisis, transitional or social housing to become independent in the private rental market.

Target group and eligibility for private rental assistance

Private rental assistance should be provided to households who are able to sustain private rental housing with time limited support. Resources are targeted to people who:

- Are at risk of losing their current tenancy – for example, due to a personal crisis, short term financial crisis, rent arrears, tenancy dispute etc.
- Are currently homeless but can be rapidly and sustainably housed in the private rental market with short term assistance
- Could sustain affordable and appropriate housing in the private rental market but need assistance with the transition from crisis, transitional or social housing.

Each potential client will be assessed individually, with an emphasis on identifying personal or financial capabilities that can be enhanced to improve their capacity to sustain appropriate and affordable housing in the private rental market. When assessing clients, agencies should prioritise assistance to people who are in one or more of the following categories:

- Presenting at access points with a recent private rental history
- Living in marginal private rental housing such as rooming houses or caravan parks who can afford and sustain a private rental tenancy
- On the Victorian Housing Register who can afford and sustain a private rental tenancy
- Living in social housing or transitional housing who are working and who can afford to sustain a private rental tenancy.

In determining eligibility for assistance, agencies are expected to ensure that the rent paid by the client is affordable, based on an assessment of the household's ongoing capacity to sustain housing.

Assistance may be used to access or maintain shared tenancies.

Outcomes to be achieved by private rental assistance

Private rental assistance should help people who are homeless or at risk of homelessness to either maintain their existing tenancy or to secure a new private rental tenancy. People receiving private rental assistance should expect outcomes such as:

- Improved access to affordable and appropriate private rental housing
- Support to sustain tenancies, repair their rental history and transition between tenancies
- Assistance tailored to their needs, based on evidence of what works
- Diversion of at risk households from homelessness crisis and transitional services
- Rapid re-entry to the private rental market for households experiencing homelessness
- Improved capacity to maintain a stable housing career.

Private rental brokers

Tenancy brokers will generate and maintain access opportunities in the private rental market. They will build links with relevant service agencies to support early intervention with households at risk, have sound knowledge of and strong relationships with the local real estate market to leverage opportunities for vulnerable households, and have proven capacity in helping to support people to access and sustain private rental tenancies.

Tenancy brokers are expected to have the capability to:

- Build links with other legal, health, education and community services to support prevention and early intervention
- Build strong relationships with the real estate industry and landlords to leverage opportunities
- Understand local private rental housing market dynamics and identify access opportunities for at risk households
- Facilitate and improve people's capacity to access and sustain private rental tenancies.

Tenancy brokers will also be responsible for administering and distributing brokerage funding for the local area.

The tenancy broker function is focused on generating and maintaining private rental access opportunities for clients, rather than direct client support.

Use of private rental assistance brokerage

Private rental assistance brokerage is a flexible form of assistance program designed to be tailored to the needs of the individual and used to the best effect given the local private rental market conditions. Examples of suitable use of brokerage funds include:

- Rent in advance or in arrears
- Rental subsidies, guarantees to cover any loss of rent damage costs that are not covered under insurance or the bond or time limited subsidies to provide housing opportunities to target households
- Costs associated with accessing private rental such as storage costs, transport rental inspections, clothing for interviews with real estate agents and landlords or payment of bond (however, the Bond Loan Scheme should be utilised whenever possible).
- Costs associated with establishing a new tenancy such as furniture or appliances, removalist costs or utility connection
- Alleviation of debts or one off financial assistance in times of crisis
- Life skills training to learn about budgeting, bill payments, house maintenance, tenant responsibilities and rights.

Funds are not to be expended for any other purposes other than client related expenditure and assistance.

Brokerage cannot be used for:

- Short term or emergency accommodation
- Products or services that have not been identified in the client plan

- Staff related activities
- Support services that are already available to the person through other funding sources
- Anything illegal.

Accessing private rental assistance

One application per year per client will be considered, however multiple applications will be accepted under exceptional circumstances.

Agencies may access funds up to a limit. Requests above the specified limit may be approved by the Area office. Agencies need to apply in writing to their appointed contact in the Area office. Agencies will be required to acquit brokerage funding to the department quarterly. The acquittal process will ensure funds are used in accordance with the outcomes and principles of the program. These processes will evolve to ensure consistency with any changes in SHIP reporting requirements.

Unexpended brokerage funds must be carried over to the next financial year and continue to be available for client related items or returned to the Department for re-allocation.

Targets and progress reporting

The department will negotiate targets with agencies specifying a minimum number of households assisted. This allows for an average brokerage package of \$2,745 in metropolitan areas and \$2,000 in regional areas. Agencies may provide packages up to \$7,000, with large packages subject to approval by local area offices.

The department will use existing SHIP reporting processes to collect and analyse data on the use of brokerage funds including:

- Time from assessment to being housed
- Expenditure (total and per client)
- Number of people in household assisted
- Number of people housed (after three months, six months and twelve month follow ups) and the type of rental housing (i.e. independent private rental, shared rental or marginal tenure such as rooming house or caravan park)
- Number of instances of support.
- Number of rental applications made by each client
- Type of services required
- Other services received by client
- Income level
- Rent and duration of lease.

All data will be treated confidentially and securely and will not contain easily identified information.