

Transitional Housing Plus

Transitional Housing Plus is a new form of transitional housing that provides longer term supported accommodation, linked to training and employment outcomes, for people who are experiencing homelessness or are at risk of homelessness

Aim

The aim of Transitional Housing Plus is to provide housing integrated with support to assist the tenant household to stabilise their lives over a longer tenure period (up to five years).

The tenant household will be supported to engage in training and employment opportunities, and will move to independent living arrangements during, or at the end of the five-year period.

Definition

Transitional Housing Plus properties provide time limited accommodation (six-month fixed term leases that can be renewed for a period up to five years) for people that are experiencing homelessness or people who are at risk of homelessness, and who are able to exit to private market housing at the end of their tenancy.

Client group

The housing is to be targeted to the following client groups:

- Vulnerable young people including those leaving Out-of-Home care arrangements or Juvenile Justice detention or supervision

And

- Women with children experiencing domestic and family violence.

Properties covered by this product

Properties funded under the Transitional National Partnership Agreement on Homelessness 2013/14 Development Fund and any other property identified in a Community Housing Agreement for use as Transitional Housing Plus.

This **does not** include properties funded for use as general transitional housing, for example:

- Transitional housing properties managed by Specialist Homelessness Services or mainstream community housing providers

Or

- Transitional housing properties transferred to the management of the specialist housing companies or to mainstream community housing providers.

Policy settings

Eligibility & priority for Transitional Housing Plus – Youth Housing

To be eligible for Transitional Housing Plus (Youth) an applicant must:

- Be a young person between 16 to 25 years at the time of referral
- Be experiencing homelessness or be at risk of homelessness
- Be unable to resolve their own housing need in the short to medium term
- Have the capacity to transition to private market housing within five years through active involvement in a personal case plan
- Be able to be housed safely with the Transitional Housing Plus property.

Priority is to be given to:

- Young people aged 16 to 20 years
- Young people who are receiving, or have received, an Out-of-Home Care service, and/or who are, or have been, a client of Juvenile Justice.

Eligibility for Transitional Housing Plus – DV Housing

To be eligible for Transitional Housing Plus (Domestic Violence) an applicant must:

- Be a woman with dependent children experiencing domestic or family violence
- Be experiencing homelessness or be at risk of homelessness
- Be unable to resolve their own housing need in the short to medium term
- Have capacity to transition to private market housing within five years through active involvement in a personal case plan
- Be able to be housed safely with the Transitional Housing Plus property.

Tenant allocation

Applicants for Transitional Housing Plus will be assessed by a local nomination panel comprising members from relevant homelessness support services, government agencies and other community service organisations.

The panel will make a recommendation to the housing provider based on a transparent process.

The properties must be allocated to eligible households and targeted to the identified client group.

Tenant support

The housing provider must enter into a formal partnership with a support provider/s to ensure that tenants have access to appropriate support over their tenure period. This at a minimum includes the development of a tenant case plan and regular meetings to inform the renewal of the fixed-term tenancy agreements.

The housing provider must not allocate any property to a tenant without an identified support package for the tenant in place.

Tenant obligations

The tenant must enter into a statement of agreement at the beginning of their tenure that sets out their responsibilities in relation to engaging in an education, training and employment pathway, and entering into a case plan with a support provider.

The tenant must acknowledge in the agreement that they have been informed of the requirements associated with signing a residential tenancy agreement, the length of the agreement and the process for renewing the agreement and the rent they must pay.

Access

The housing provider must issue a tenant a six-month fixed term residential tenancy agreement and manage the tenancy in accordance with the *Residential Tenancies Act 2010*.

Tenure

The renewal of a fixed term tenancy agreement is subject to the tenant's continuing need for housing and support, and the tenant meeting the agreed commitments in their case plan.

The lease can be renewed for a further six-month period as long as the period of continuous tenure does not exceed five years.

Where it is assessed by the housing provider and/or support provider that a tenant is not meeting the commitments agreed to in their case plan, or is not able to transition to private market housing, the case plan must be reviewed to identify alternative housing options and support. This will facilitate a planned exit for the tenant at the end of the lease period.

Tenants who breach their residential tenancy agreement will be subject to the standard provisions of the *Residential Tenancies Act 2010*, including actions to terminate a tenancy.

Rent

The rent paid by tenants is scaled to increase over the tenure period, on an annual basis.

The scaled rent levels will be set out at the beginning of the first tenancy period as five consecutive annual rent levels that must be paid if the fixed term tenancy continues to be renewed.

Rent is initially set by property type for a one, two or three-bedroom dwelling. The rent is then scaled up over a five-year period so that it reaches a benchmark market rent for the property in Year 5.

Year 1 Rent

Appendix 1 shows Year 1 property rents for 2014 to 2018 for all bedroom categories. Year 1 rents are indexed on an annual basis at 2%.

Years 2-4 rent scaling

The level of rent increase per annum is then determined based on the following calculation:

Rent increase increment	Calculation
Year 2	(Year 5 rent – Year 1 rent) x 20%
Year 3	(Year 5 rent – Year 1 rent) x 20%
Year 4	(Year 5 rent – Year 1 rent) x 30%

Year 5 Rent

The level of rent paid in Year 5 is set at the market rent for the dwelling at the time the tenancy commences in Year 1. This is known as the benchmark market rent and is set using the median rent for a similar property in the same LGA in the Rent and Sales Report.

Rent paid in shared accommodation

The rent paid by tenants sharing accommodation is to be split evenly by the number of bedrooms.

Rent paid by single people

Single people living in a one-bedroom dwelling will pay a scaled rent equivalent to the rent paid by a single tenant sharing a two-bedroom dwelling.

Rent in lower market areas

The Year 1 rent paid by a tenant in an area identified as having lower market rents¹ commences at a lower rate – refer Appendix 1.

Rent must not exceed market rent

The rent paid by the tenant must not at any time exceed the current market rent for the property.

Rent discount in special circumstances

In special circumstances, the rent may be discounted for a short period of time to take into account the changed or specific circumstances of a tenant.

Rent calculation

Refer to Appendix 2 for further details on calculating Transitional Housing Plus rents.

¹ Lower market areas – any location where the market rent is less than 25% above the Year 1 standard rent. E.g. in March 2014 the market rent for a two-bedroom dwelling in Kempsey is \$230 (Dec 2103 figures) – this is only 20% above the Year 1 standard rate

Appendix 1

Transitional Housing Plus – Year 1 Rents 2014-2018

The Year 1 commencing rent for Transitional Housing Plus is indexed on an annual basis by 2%:

Table 1. Year 1 rents per week – standard

Property	2014	2015	2016	2017	2018
1 bedroom dwelling	\$150.00	\$153.00	\$156.10	\$159.20	\$162.40
2 bedroom dwelling	\$200.00	\$204.00	\$208.10	\$212.20	\$216.50
3 bedroom dwelling	\$230.00	\$234.60	\$239.30	\$244.10	\$249.00

Table 2. Year 1 rents per week – lower market rent areas

Property	2014	2015	2016	2017	2018
1 bedroom dwelling	\$100.00	\$102.00	\$104.00	\$106.10	\$108.20
2 bedroom dwelling	\$150.00	\$153.00	\$156.10	\$159.20	\$162.40
3 bedroom dwelling	\$180.00	\$183.60	\$187.30	\$191.00	\$194.80

Appendix 2

Calculating Transitional Housing Plus Rents

Steps

1. Identify the Year 1 Rent on the basis of the property type – refer Table 1 or 2 in Appendix 1
2. Check that no special circumstances apply to the tenancy e.g. is it a single tenant living in a one-bedroom property
3. Identify the Year 5 Rent on the basis of the median rent for that property type in the LGA the property is located in, as per the [Rent and Sales Report](#).
4. Calculate the Rent Range – the difference between the Year 1 Rent and Year 5 Rent
5. Calculate the Year 2 Rent = Year 1 Rent + (Rent Range x 20%)
6. Calculate the Year 3 Rent = Year 2 Rent + (Rent Range x 20%)
7. Calculate the Year 4 Rent = Year 3 Rent + (Rent Range x 30%)
8. On an annual basis (or in response to any significant changes in the market) check that the identified rent is below the current market rent for the property.

Rent calculator

The Transitional Housing Plus Rent Calculator is available to assist housing providers to calculate the scaled rent levels at the beginning of the first tenancy period.

Example of rent calculation

An example of Transitional Housing Plus rent calculation is set out below.

A tenancy in a two-bedroom unit in Blacktown commencing in March 2014:

- In Year 1 the starting rent paid would be \$200 per week.
- The Year 5 rent would be the median rent for a strata dwelling in the Blacktown LGA in the latest Rent and Sales Report (December 2013) - \$350 per week.
- The Rent Range is therefore \$150.
- The Year 2 rent would then be \$230 per week (Year 1 rent + (Rent Range of \$150 x 20%)).
- The Year 3 rent is \$260 per week.
- The Year 4 rent is \$305 per week.