

Private Rental Bond Assistance

Policy

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1. Purpose

The purpose of this policy is to provide consistent guidelines to assist people to access the private rental market through bond assistance.

2. Policy Details

This policy applies to all applicants who apply for private rental bond assistance through the CEO (Housing).

Bond assistance is an interest free loan to help people access the private rental market, including private rental housing, permanent caravans, community housing and non-government organisation accommodation.

2.1. Identification

Each person applying for private rental bond assistance must provide identification that meets the requirements of the Identification and Documentation policy.

2.2. Eligibility

To receive private rental bond assistance, applicants must meet all eligibility criteria stated in this section. There are some exemptions that may be made in priority circumstances such as persons escaping family violence or sponsored refugees.

2.2.1. Residency

Applicants for private rental bond assistance must:

- Be an Australian Citizen; or
- Be a permanent resident of Australia; or
- Hold a Special Category Visa or Temporary Protection Visa; and
- Be a resident in the Northern Territory for three months prior to the date of submitting their application.

2.2.2. Age

An applicant for private rental bond assistance must be a minimum of 18 years of age.

2.2.3. Income and asset limits

To be eligible for private rental bond assistance, household income and assets must be equal to or below the upper limit identified in the Income and Assets policy. If an applicant for private rental bond assistance will be sharing accommodation with people who are not applying for private rental bond assistance, then the income and asset limit will only be assessed for the person/s seeking bond assistance.

2.2.4. Outstanding debt

Applicants must not have an outstanding debt with the Department and/or CEO (Housing).

2.2.5. Tenancy Agreements

Applicants must provide a valid tenancy agreement for a rental property located in the Northern Territory and be a signatory to the tenancy agreement to be eligible for private rental bond assistance.

2.2.6. Provisional Approval

Applicants for private rental bond assistance must receive provisional approval from the CEO (Housing) before entering into a tenancy agreement with a landlord.

2.2.7. Rent limit

The applicants rent payments must not exceed 53% of their income to ensure sufficient income for living costs. Commonwealth Rent Assistance may be included in calculating household income if the applicant is eligible for this benefit.

2.3. Private rental bond assistance amount

Private rental bond assistance provides up to four weeks rent as security deposit and optionally up to two weeks rent in advance. An applicant can request a loan amount less than the required security deposit/bond.

If an applicant for private rental bond assistance will be sharing accommodation with people who are not applying for private rental bond assistance, then the level of assistance will be a pro-rata amount based on the number of signatories to the tenancy agreement.

If an applicant for private rental bond assistance will be sharing accommodation with people who are not contributing to the bond payment, the rent limit will still apply and be based on 53% of the applicant's income (not household income). The tenancy agreement must state that the applicant is the only contributor to the bond. If the optional two weeks rent in advance is required, then the level of assistance will be a pro-rata amount based on the number of signatories to the tenancy agreement.

If the contribution details of the bond payment or rent are provided, the details will be assessed and the level of assistance adjusted to reflect the amount the applicant is contributing.

2.4. Other requirements

Applicants must have a copy of the tenancy agreement for all accommodation—including a caravan park agreement if the property is a permanent caravan—to claim private rental bond assistance.

A tenancy agreement must be for a minimum period of 6 weeks.

If an applicant for private rental bond assistance will be sharing accommodation and is only seeking their pro-rata amount, they must be listed as a signatory to the tenancy agreement.

2.5. Timeframes

Applicants provisionally approved for private rental bond assistance, have an initial four week period to find a property. If applicants cannot find a suitable property within the initial period and there has been no change to their household income or structure, they can apply for a two week extension. If changes have occurred after the initial four weeks, or at the end of a two week extension, a new application must be submitted.

2.6. Repayment arrangements

Private rental bond assistance loans are interest free. The amount loaned to the applicants are to be repaid to the CEO (Housing) by using an Agreement to Pay. The minimum repayment must be an amount that will result in the loan being fully repaid within 18 months. A client may elect to make larger repayments, and pay off the loan in a shorter period of time.

Where repayments are unable to be paid due to financial stress, the repayments may be adjusted to a minimum of \$10 per week for an agreed period of time.

At the end of the tenancy, a client may request that a proportion of their bond be returned directly to the CEO (Housing) from the Landlord to repay any outstanding loan amounts. This must be arranged directly between the recipient and the Landlord.

3. Discretionary decision making

Discretion can be applied to this policy using the Discretionary Decision making policy.

4. Complaints and/or appeals

If a client is not satisfied with either a decision or action of the CEO (Housing), they can access the Department's complaints and/or appeals processes. For further information, please refer to the Complaints and/or Appeals policies.

5. Review of the policy

If at any time the legislative, operating or funding environment is so altered that the policy is no longer appropriate in its current form, the policy shall be reviewed and amended accordingly. This policy will be reviewed within two years of release.

6. References

6.1. Legislation

Caravans Parks Act 2012

Housing Act 1982

National Consumer Credit Protection Act 2009

Residential Tenancies Act 1999

6.2. Policies

Appeals policy

Complaints policy

Discretionary Decision Making policy

Income and Assets policy