

Review of rent models for social and affordable housing



7 November 2016



WHAT

The NSW Premier has asked IPART to review:

- ▼ the approach used to set rents for social and affordable housing, and
- ▼ the criteria used to decide who receives this housing and other forms of housing assistance.



WHY

The Government provides social housing and other forms of housing assistance to help people who cannot afford or obtain suitable accommodation in the private rental market.

Over the next 10 years, it wants to improve the social housing system so it can:

- ▼ continue to provide long-term support for people who need it
- ▼ offer opportunities to transition to housing independence for people who can
- ▼ provide an alternative form of housing assistance where this is more appropriate.

To do this, the system needs to be more flexible, so people with different needs receive different types of assistance, and people whose needs change over time receive different levels of assistance over time.

IPART's review will identify changes to the rent-setting approach and eligibility criteria for social housing to achieve these objectives.



HOW

IPART will develop options for change, and then assess these options to identify the ones that will deliver the best outcomes for social housing tenants and the social housing system. For

example, we will consider how each option affects:

- ▼ the affordability of rent
- ▼ how easy it is to understand how rent is set
- ▼ how much flexibility and choice tenants have
- ▼ the incentives for tenants to find paid work.

We will also assess each option's impact on:

- ▼ the equity of the system – eg, will households in similar circumstances receive equal assistance
- ▼ the efficiency of the system – eg, will it better meet the needs of the community and tenants, and deliver appropriate assistance to those who need it
- ▼ the financial sustainability of the system.

We will consult with all stakeholders throughout the review, including social housing tenants and community housing providers.

Our issues paper provides more detail on what the review covers, the approach we will use, and the questions we are seeking comments on now.

We will publish a draft report in March 2017, which will set out our draft recommendations and invite comments from stakeholders. We will consider these comments before making our final recommendations in our final report in June 2017.



WHAT NEXT

Our Issues Paper is available on our website.

We invite all interested parties to make written submissions by **16 December 2016**.

We prefer to receive submissions electronically via our online submission form. You can also send comments by mail to:

Independent Pricing and Regulatory Tribunal
PO Box K35
Haymarket Post Shop NSW 1240