

# Housing Assistance Rental Bonds Housing Assistance Program 2005 (No 1)

**Disallowable instrument DI2005–280**

made under the

**Housing Assistance Act, 1987, Section 12.**

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## EXPLANATORY STATEMENT

Housing Assistance Programs are the policy framework for the provision of Housing Assistance.

The purpose of the Rental Bonds Housing Assistance Program is to provide loans to eligible persons to pay 80% of the cost of a security bond to assist them to establish a tenancy.

This new program has been redrafted using modern drafting practice, which has necessitated some rearrangement of clause numbers.

However, the substantive effect of the previous Program has not been altered, except as follows:

The eligibility criteria (clause 9) have been amended to remove the previous requirement that an applicant not be committing more than 40% of their income to the payment of rent and the repayment of the bond loan.

The income criteria (clauses 8(h)(i) & (j) have been adjusted to increase the income limits to:

In the case of a single person, 120 % of ACT Average weekly earnings (AWE)

In the case of a 2 or more persons, 150% of AWE plus 15% of AWE for each extra person above 2.

Clause 9(k) has been clarified to ensure that the applicants must intend to live in the property for which the bond is payable on a full time basis.

A new provision has been inserted in clause 10 to permit the payment of a grant of \$100.00 to successful applicants to assist in the expenses of starting a tenancy.