

PROGRAM POLICY: STRATEGIC LEASING OF CEHL HOUSING STOCK

Policy number	PPOL025	Version	v1.0
Drafted by	Program Development Coordinator	Approved by Board on	26 July 2018
Responsible Person	Program Director	Scheduled review date	26 July 2023

1. PURPOSE

- 1.1 The purpose of this Policy to enable and set the circumstances in which CEHL may strategically lease a small number of properties not currently allocated to co-ops in the private rental market.

2. POLICY CONTEXT

Usually any vacant property held by CEHL is allocated to a co-op as quickly as possible. However, there are some circumstances where commencing a long-term tenancy is not in the Program or a co-op's long-term interest.

Such properties may be leased for short periods of time on the private rental market until the best use is identified and the property can be returned to Program use, or it can be sold.

Strategic leasing will allow CEHL to minimise potential for squatting or vandalism to properties that may otherwise be vacant for extended periods, to maximise utilisation of our asset base and to minimise financial loss from vacancies and contribute revenue to the Program.

3. POLICY STATEMENT AND PRINCIPLES

3.1 STATEMENT

- a. CEHL properties will be offered for short-term residential rental agreement via the private rental market where offering tenancies to co-op members or social housing renters is not consistent with future planning or development considerations.
- b. Strategic leasing will only be considered where allocating the property within the current Program and with ongoing security of tenure would not support the strategic capacity of the Program in the long-term.
- c. No more than 5% of program housing stock is permitted to be managed in this way at any given point in time, and in general only 1% will be managed in this way.

3.2 PRINCIPLES

- a. Circumstances in which commencing a long-term tenancy is not in the Program or the co-op's long-term interest and the Program would be better served by strategically leasing the property include:

- i. locations where future planning is taking place and the best long-term use of the vacant property for co-ops in that region has not yet been identified
 - ii. where the property is in need of extensive works that are not able to be funded from the current year's budget
 - iii. where measures to maximise the value of a property, such as a planning permit approval, need to be undertaken before the property is sold.
- b. The period of vacancy in most cases will be more than 3 months but less than 2 years.
- c. CEHL will engage Not-For-Profit Real Estate Agencies to manage the program stock where possible and charge a full market rent for the duration of their residential rental agreement.
- d. Strategically leased properties will be included in discussions and the implementation around future planning (unless the property has been identified for sale and redevelopment).

4. SCOPE

- 4.1 This policy only applies where allocating the property within the current Program and with ongoing security of tenure would not support the strategic capacity of the program in the long-term.

5. DEFINITIONS

- 5.1 For all definitions relating to this policy, please refer to the Program Glossary.

6. LEGAL AND OTHER REQUIREMENTS

- 6.1 This policy incorporates guidance provided by:
- a. [Performance Standards and evidence guidelines](#)
 - b. [Residential Tenancies Act 1997](#)

7. PROGRAM REQUIREMENTS

- 7.1 This policy is consistent with:
- a. International Co-op Principles:
 - Concern for Community.
 - b. Program Principles:
 - Quality of Housing
 - Affordability
 - Financial Sustainability.

8. RELATED PROGRAM POLICIES

- 8.1 This policy should be considered in conjunction with:
- a. Property Allocation for Unhoused Members Program Policy

- b. Property Allocation To Co-Ops Program Policy

9. AUTHORISATION

Approved by	..Karren Walker.....	Date of approval	26 / 07 / 2018
Position	CEHL Chair		