



Targeted Affordable Rental Housing (TARH) Policy and Guidance Document

Purpose

In 2024, the State Government introduced the Targeted Affordable Rental Housing (TARH) Policy to ensure State contributions to affordable rental housing in projects delivered by State Government entities and Community Housing Organisations (CHOs)¹ target 'Band B' eligible households with the most acute need for housing support.

Scope

The TARH Policy applies to all affordable rental housing in residential housing developments delivered with the benefit of a State Government contribution (of funding, land, or other in-kind contributions) in partnership between:

- any WA Government entity, including but not limited to:
 - Department of Housing and Works,
 - Department of Planning, Lands and Heritage,
 - DevelopmentWA; and
- any CHO registered in Western Australia (WA), or any Special Purpose Vehicle or legal entity in partnership with a CHO registered in WA (including where a CHO is partnered with a private developer), engaged in affordable rental housing development activities with the WA Government.

The TARH Policy does not apply to affordable rental housing delivered by CHOs without the benefit of a State Government contribution.

The Policy applies to in-scope projects commencing procurement activity from 1 October 2024. The Policy does not apply retroactively, or to projects where procurement activity was already underway on this date.

The Policy is not intended to limit government agencies' ability to target affordable rental housing to specific groups (such as Aboriginal households, people living with disability, or people with crisis housing needs) where there is project-specific funding.

Affordable rental housing dwellings delivered under the scope of this Policy will be referred to as Targeted Affordable Rental Housing or 'TARH'.

¹ Including where a CHO is partnered with a developer in a consortium. To develop TARH in partnership with the State Government, CHOs must be registered in WA through the Community Housing Registration Office.

Policy Statement

The WA households experiencing the most acute housing stress are concentrated within the 'Band B' income range set by the Housing Authority (or by the Department of Housing and Works acting on the Housing Authority's behalf) to determine eligibility for affordable rental housing support.

To effectively target these households, the TARH Policy comprises:

- the Affordable Rental Housing (Band B) provisions in the [Community Housing Eligibility Policy \(CHEP\)](#) (formerly the Community Housing Income and Assets Limits Policy)
- the rent setting approach in the [Community Housing Rent Setting Policy](#), and
- the guidance published annually in this Document.

Definitions

Term	Definition
Band A	A very low- to low-income and asset range meeting the Social Housing eligibility criteria in the CHEP .
Band B	A low-to-moderate income and asset range meeting the Affordable Rental Housing eligibility criteria in the CHEP .
Community Housing Organisation (CHO)	Means any not-for-profit organisation incorporated under a law of the Commonwealth of Australia or of a State or Territory, or a Local Government Authority, that provides Community Housing.
Community Housing Registration Office (CHRO)	Administers the Community Housing Regulatory Framework , including the registration of CHOs in WA, and regulatory activities under the scope of the framework. The CHRO is part of the Department of Housing and Works.
Disability	A disability as defined in the <i>Disability Services Act 1993</i> that for the purposes of this document has a functional impact on housing support requirements.
Housing Authority	The Housing Authority established pursuant to the <i>Housing Act 1980 (WA)</i> . The Housing Authority operates from within the Department of Housing and Works.
Metropolitan/South West, North West/Remote	The areas depicted in Figure 1.
Registered/Registration	Refers to being registered under the Community Housing Regulatory Framework in WA.
Social Housing	Subsidised long-term rental housing for very low to low-income households (Band A), owned by the Housing Authority or a CHO.

Term	Definition
Targeted Affordable Rental Housing (TARH)	Affordable rental housing delivered by the State Government in partnership with a CHO, with the benefit of a State Government contribution of land or funding, and in compliance with the TARH Policy.

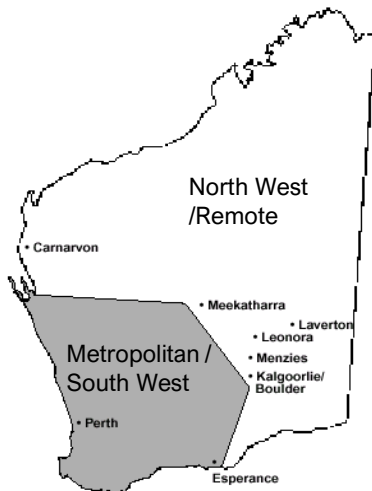


Figure 1

Broad geographic divisions for determining income limits

Tenant eligibility criteria

- To be eligible for TARH, the household must meet the general eligibility and affordable rental housing eligibility criteria outlined in the [CHEP](#), including but not limited to:
 - The applicant is an Australian citizen or permanent resident currently residing and receiving income in WA.
 - Combined annual gross assessable household income is within the Affordable Rental Housing Income Eligibility Limits in the [CHEP](#).
 - The value of the household's assessable assets does not exceed the Affordable Rental Housing Asset Eligibility Limits in the [CHEP](#).
 - The household does not own or partly own property or land that constitutes a viable housing option, as per the [CHEP](#).

Rent setting

- Rents must be set in accordance with the [Community Housing Rent Setting Policy](#).

Target cohorts

- CHOs should ensure priority is given to Band B eligible households in the order they appear in the Target Cohort List and be able to demonstrate this when requested by the applicable Government entity.
- The Department of Housing and Works will set the Target Cohort List and review it on an annual basis. This includes updating the income limits for the Category 3 and Category 4 cohorts each year. The Category 5 limit is the Band B income limit in the [CHEP](#).

- To recognise the additional costs of living in the North West and remote parts of WA, a loading is added to income limits.
- A 25% loading is also added to recognise the additional costs faced by people living with disability where there is a functional impact on housing requirements.
- The Target Cohort List below is effective June 2026 (continued on next page).

Target Cohort List																				
Category 1	Band B eligible households who are experiencing urgent need for housing support and are at risk of acute housing stress or homelessness, such as women and children affected by family and domestic violence, older single women and First Nations peoples.																			
Category 2	Over income 'Band A' housing tenants who meet the Band B eligibility criteria, sourced from the Department of Housing and Works' transfer list for the applicable zone (metropolitan) or town (country), or Band B applicants from CHOs own waitlists.																			
Category 3	Band B eligible households with a combined annual household income not exceeding the following amounts: <table> <tr> <th>Household size</th><th>Metropolitan / South West</th><th>North West / Remote</th></tr> <tr> <td>1 person</td><td>\$45,000</td><td>\$55,000</td></tr> <tr> <td>2 people</td><td>\$55,000</td><td>\$70,000</td></tr> <tr> <td>3 people</td><td>\$65,000</td><td>\$80,000</td></tr> <tr> <td>4 people</td><td>\$75,000</td><td>\$95,000</td></tr> <tr> <td>5 people</td><td>\$85,000</td><td>\$105,000</td></tr> </table> Apply a 25% loading to the above amounts for households including a person living with a disability that is permanent, or likely to be permanent, and impacting housing requirements.		Household size	Metropolitan / South West	North West / Remote	1 person	\$45,000	\$55,000	2 people	\$55,000	\$70,000	3 people	\$65,000	\$80,000	4 people	\$75,000	\$95,000	5 people	\$85,000	\$105,000
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4 people	\$75,000	\$95,000																		
5 people	\$85,000	\$105,000																		
Category 4	Band B eligible households with a combined annual household income not exceeding the following amounts: <table> <tr> <th>Household size</th><th>Metropolitan / South West</th><th>North West / Remote</th></tr> <tr> <td>1 person</td><td>\$60,000</td><td>\$75,000</td></tr> <tr> <td>2 people</td><td>\$70,000</td><td>\$85,000</td></tr> <tr> <td>3 people</td><td>\$80,000</td><td>\$100,000</td></tr> <tr> <td>4 people</td><td>\$95,000</td><td>\$120,000</td></tr> <tr> <td>5 people</td><td>\$105,000</td><td>\$130,000</td></tr> </table> Apply a 25% loading to the above amounts for households including a person living with a disability that is permanent, or likely to be permanent, and impacting housing requirements.		Household size	Metropolitan / South West	North West / Remote	1 person	\$60,000	\$75,000	2 people	\$70,000	\$85,000	3 people	\$80,000	\$100,000	4 people	\$95,000	\$120,000	5 people	\$105,000	\$130,000
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Category 5

Band B eligible households with a combined household income that exceeds the amounts in Category 4 but does not exceed the Band B income eligibility limit as per the [CHEP](#) (including any applicable loadings).

Income Limit Indexation

- The Band B income limits in the [CHEP](#) are indexed and published by the Department of Housing and Works in May each year.
- CHOs should take this into account when modelling need for funding.
- The Category 3 and Category 4 income limits above will also be indexed each year to effectively maintain the same target cohorts.

Surplus funds from TARH developments

- CHOs are required to use surpluses generated from TARH to contribute to the development of further TARH in WA.
- When requested, CHOs must show the surplus generated from TARH and demonstrate how it has been, or will be, used to fund further TARH.

Exemptions to the Policy

- State Government entities may seek approval from the Residential Lands and Housing Delivery Ministerial Oversight Committee for an exemption or variation to the TARH Policy for individual projects, with consideration given to:
 - Potential to increase the overall supply of housing (including social, affordable, and private market housing) on the site.
 - Site specific viability circumstances that cannot be addressed with greater upfront capital funds for the construction of new TARH.
 - Region specific affordable housing needs, for example to support regional socioeconomic development priorities.
- Exemptions or variations to the TARH Policy can only be approved by the Residential Lands and Housing Delivery Ministerial Oversight Committee.
- Where an exemption or variation is granted, agencies must notify the Department of Housing and Works to ensure the Community Housing Registration Office is duly notified.

Requirements for State Government entities

- State Government entities should use this Policy and Guidance Document in developing procurement specifications for Affordable Housing and provide it to CHOs as part of the tender documentation for relevant projects.
- State Government entities must ensure that TARH is only used to house 'Band B' eligible tenants except where an exemption has been granted. This is a condition of partnership on in-scope projects and should be reflected in procurement and project documentation.

- State Government entities should design contracts such that CHOs provide reporting information on TARH on an annual basis to the Department of Housing and Works for analysis and reporting.
- The Department of Housing and Works will assess allocations compliance with the TARH Policy and Guidance Document and report non-compliance to the Community Housing Registration Office to enable regulatory oversight of CHOs that are Registered in WA.
- Compliance activities undertaken by the Department of Housing and Works do not remove the obligation of other State Government entities to monitor compliance with the TARH Policy and Guidance Document from project commencement.
- The Department of Housing and Works will review this guidance on an annual basis.

Reporting requirements

- CHOs will need to report on TARH allocations as per contractual requirements.
- The Department of Housing and Works will monitor CHO reporting to understand any challenges in allocating to priority cohorts and will review this guidance to ensure optimum implementation of the TARH Policy requirements.

Related documents

- [Community Housing Eligibility Policy \(CHEP\)](#)
- [Community Housing Regulatory Framework](#)
- [Community Housing Rent Setting Policy](#)

Document control			
Approving Authority: Executive Director Strategic Housing and Asset Policy, Planning and Business Development		Business Unit: Affordable Housing Supply and Intergovernmental Relations Strategic Policy	
Effective Date	June 2026	Review Date	June 2027
Replaces Policy	Targeted Affordable Rental Housing (TARH) Policy and Guidance Document 2025		
EDRMS File No.	2024/48116	Document No & Version	A77477448

Amendments

Version	Date	Author	Description
3	June 2026	Senior Policy Officer, Affordable Housing Supply and Intergovernmental Relations Strategic Policy	Document moved to Department of Housing and Works policy template. Target Cohort income ranges updated in line with Band B indexation. Minor amendments for clarity throughout.
2	July 2025	Senior Policy Officer, Affordable Housing Supply and Community Housing	Replaced 'Department of Communities' with 'Department of Housing and Works' to reflect 2025 Public Sector Reform. Updated references to the Community Housing Eligibility Policy – formerly the Community Housing Income and Assets Limits Policy. Minor amendments for clarity throughout. Added requirement for State Government agencies to notify Department of Housing and Works where an exemption or variation to the Policy is granted. 'In-Need Cohort List' renamed to 'Target Cohort List'. Included information regarding 25% loading for disability. Category 5 added to Target Cohort List for clarity and updated Category 3 and 4 income bands.
1	October 2024	Senior Policy Officer, Affordable Housing Supply and Community Housing	