

Arrears Management Policy

Purpose

All Housing Trust tenants are required to pay tenancy charges as a condition of their Residential Tenancy Agreement. These charges may include but not be limited to:

- rent
- water usage
- maintenance charges
- bond and
- any debt from a former tenancy

Housing Trust depends upon the rent paid by tenants to fund maintenance and other essential business activities. The purpose of this Policy is to provide guiding principles for the management and collection of rent and non-rent charges in accordance with the Residential Tenancies Act 2010 and outline action that may be taken by Housing Trust in respect of non-payment of tenancy charges.

Scope

This policy applies to all tenants and former tenants of Housing Trust. Housing Trust will treat debt recovery with sensitivity and have an emphasis on privacy whilst recognising the capacity of individuals to meet their commitments.

This policy excludes residents in temporary accommodation.

Policy

As per the Residential Tenancies Act 2010, tenants have a legal responsibility to pay their rent and non-rent in full when it is due. Arrears owed to Housing Trust are a debt and as a result a breach of the Residential Tenancy Agreement.

Tenants must notify Housing Trust immediately if they are unable to make tenancy charges payments.

Housing Trust will proactively manage rent and non-rent arrears. Early intervention is crucial in ensuring arrears are kept under control; otherwise tenants may accrue arrears they cannot repay which may lead to the loss of their housing. If a tenant is facing financial difficulty Housing Trust, with the tenants consent, can make referrals to external agencies for support.

Housing Trust can also assist tenants with establishing automatic rent deductions from Centrelink payment to ensure that rent is paid regularly.

Managing arrears can involve a number of different approaches depending on the circumstances of the tenant and the amount of money that is owed. Housing Trust will always request the tenant pay a lump sum payment for all money owing however when the tenant cannot afford to pay a lump sum payment the debt may be managed by the tenant entering into an Arrears Instalment Agreement.

Tenants who are in arrears and enter into an Arrears Instalment Agreement will be expected to pay a weekly amount of one (1) additional day's rent for rental arrears and one (1) additional day's rent for non-rent arrears. If tenants have more than one (1) debt owing to Housing Trust (excluding bond) they will not be asked to pay more than an additional two (2) days rent per week in total.

Where a tenant remains in breach of their Agreement, Housing Trust will take action at the NSW Civil & Administrative Tribunal (NCAT) to establish orders for the repayment of the arrears. Where orders are made by the NCAT and the tenant does not comply with these orders, Housing Trust may take action to end the tenancy by seeking a termination order.

Notice of Termination

Housing Trust may issue tenants with a Notice of Termination if it is applying to the NCAT to end their tenancy. When a Notice of Termination is received it means that Housing Trust have not been able to resolve tenancy charges arrears or that the Tenant has broken a payment agreement.

Issuing a Notice of Termination is a very serious step and if a tenant receives this notice they must contact Housing Trust as soon as possible. If Housing Trust is not contacted by the tenant then Housing Trust may have no choice but to proceed with action to end the tenancy.

Orders of Termination and Possession

If Housing Trust asks the NCAT to issue orders of Termination and Possession, Housing Trust are requesting for the tenancy to be legally ended on a certain date. The NCAT will order that the tenant moves out of the home on a particular date.

If the tenant does not move out of the property by the due date specified in the Possession Order, Housing Trust will apply for a Warrant of Possession for the NSW Sheriff's office to evict the tenant.

If you received a notice from the NCAT about orders of Termination and Possession the tenant must contact Housing Trust as soon as possible.

Frequent Failure to Pay Tenancy Charges

Housing Trust may apply for a termination order for tenants who 'frequently fail' to pay rent. The NCAT may terminate your tenancy even if you have paid all the rent owing.

External Advice

NSW Fair Trading can provide advice to tenants about their tenancy rights and obligations and about how the NCAT works and can also help tenants find an advocate.

Aboriginal tenants can contact the Tenants NSW Information, Advise and Advocacy.

Right of Appeal

Tenants cannot appeal decisions made in line with this Policy.

Tenants are required to attend the NCAT and appeal any decisions made by the NCAT in line with the relevant NCAT Policy.

Reference or Related Documents:

Internal

Policy:

1. Water Charges Policy
2. Tenant Damage Policy
3. Privacy Policy
4. Customer Service Standards

Flow Chart:

1. Tenant Damage Maintenance Flow Chart

Procedure:

1. Arrears Management Procedure

External

1. Residential Tenancies Act 2010
2. Residential Tenancy Agreement
3. Fair Trading NSW www.fairtrading.nsw.gov.au
4. Tenants NSW Information, Advise and Advocacy www.tenants.org.au/aboriginal-tenants
5. NSW Civil and Administrative Tribunal (NCAT) www.ncat.nsw.gov.au

Policy Version Control

Version	Details of Improvements	Release Date	Approval/Release Details
V 1.0	Original Policy	10.11.2014	Approved for release by GM:C&C
V 2.0	Reviewed and updated	29.05.2017	Approved for release by GM:C&C
V 3.0	Reviewed and updated to reflect current business practice. Reviewed and endorsed by Tenant Advisory Group (TAG) on 27.02.2019 and Executive Leadership Team on 29.03.2019. This version replaces the Debt Management Policy V 2.0 dated 29.05.2017. The Debt Management Policy has been retired on release of this updated policy	13.06.2019	Approved for release by Amanda Winks Chief Housing Officer