

Tharawal Housing Aboriginal Corporation Arrears and Debt Management Policy

Version Number:	3
Applies to:	Tharawal Housing Aboriginal Corporation Properties
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Endorsed by board Date	27/07/2021
Date Last Reviewed:	27/07/2021
Next Review Date:	27/07/2022

Scope:

This policy applies to tenants residing in properties managed by Tharawal Housing Aboriginal Corporation (THAC). It sets out the framework in which THAC monitors and manages rent and non-rent arrears.

Policy:

The purpose of this policy is to ensure the viability and sustainability of THAC tenants and the organisation. Tenants are encouraged to pay their rent and other related tenant charges in accordance with their Residential Tenancy Agreement.

THAC understands that at times tenants may face difficult times thereby impacting their ability to pay rent and non-rent charges on time. THAC encourages tenants facing financial hardship to speak with their Housing Officer as soon as possible to discuss payment arrangement options. Staff will always be respectful, honest, sensitive and helpful when dealing with rent and non-rent arrears issues.

THAC manages all rent and non-rent arrears in accordance with the *Residential Tenancy Act 2010*. All tenants are obligated to the same set of standards.

Arrears:

Unpaid or overdue monies that have not been paid on a tenant's account in accordance with the *Residential Tenancies Act 2010*. Arrears are monitored weekly by staff to ensure early intervention and keeping arrears under control to ensure the tenants are able to manage their arrears. Failure to manage arrears can lead to the loss of housing.

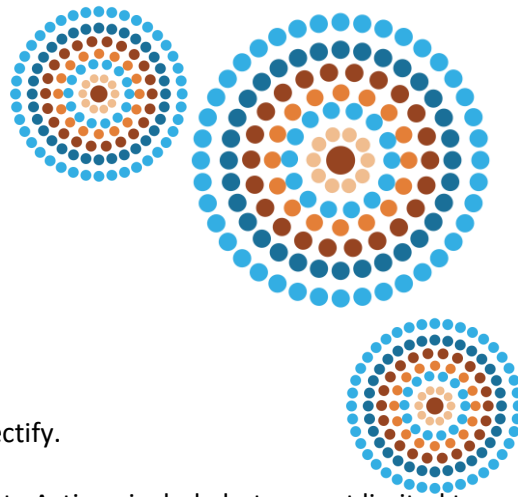
When a tenant falls into arrears THAC will contact the tenant in writing, by phone, electronic means or by visiting the home. THAC will make urgent contact to help prevent the tenant's debt from escalating.

Managing accounts in arrears:

THAC monitors tenant's accounts on a weekly basis and as soon as a tenant falls behind, contact is made with the tenant. THAC will work with the tenant to resolve the issues as a matter of priority.

THAC will consider the following factors when addressing arrears with a tenant:

- The tenant payment patterns.
- The reason the tenant has fallen into arrears.
- The tenant capacity and willingness to repay the arrears.
- The tenants need for support services.
- The amount of times the tenant has fallen into arrears.



- Previous arrears history, patterns, and reasonable steps taken to rectify.

After reviewing the above factors, THAC will decide what action to take next. Actions include but are not limited to:

- Payment arrangement
- Lump sum payment
- Referral to support services
- Issuing a Notice of Termination
- Seeking a Specific Performance Order
- Terminating the tenancy

Payment arrangements:

THAC will enter into a payment arrangement with tenants who fall into arrears who are unable to pay their debt in full. Generally when a tenant falls into arrears THAC will request the payment arrangement to be 35% of the weekly rent minus Commonwealth Rent Assistance. If a tenant is unable to afford the required payment arrangement, THAC may accept a lower arrangement, providing the tenant is able to demonstrate financial hardship. Refer to THAC Financial Hardship Policy for more information.

All tenants are expected to repay all debts within a reasonable time frame.

Where THAC is unable to negotiate a reasonable payment plan, the matter may be escalated. Depending on the circumstances, THAC may apply to the NSW Civil and Administrative Tribunal for a Specific Performance Order or an order of Termination and Possession.

Referrals to support services:

In situations where the tenant has demonstrated a need for assistance or support, THAC will arrange for referrals to be made to either internal or external support services. THAC will do its utmost to support tenants in sustaining their tenancy obligations.

Notice of Termination:

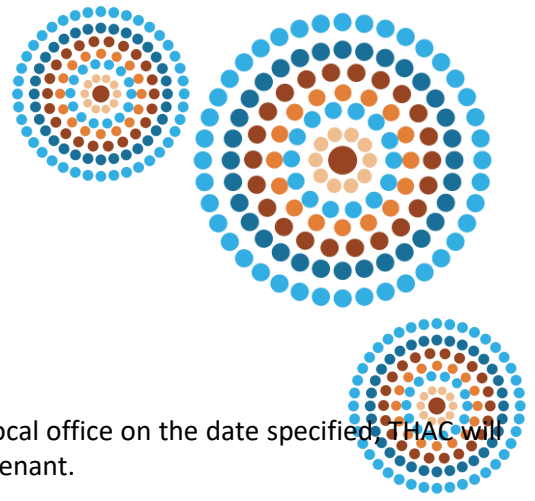
THAC may issue tenants who fall into rent or water arrears with a Notice of Termination under **section 87** of the *Residential Tenancies Act 2010*. A Notice of Termination is issued once a tenant is 14 days or more in arrears. A Notice of Termination is either hand-delivered to a tenant property or posted. The Notice of Termination will clearly state the amount of arrears owing at the time the notice was issued. It also states the date the tenant is required to vacate the property. If the tenant is still in arrears at the time the notice expires, THAC have 30 days to lodge an application with the NSW Civil and Administrative Tribunal to seek an order.

Specific Performance Order:

A Specific Performance Order is an order granted by the NSW Civil and Administrative Tribunal, It is an order that requires a tenant to correct a breach in their tenancy agreement. The order is granted under **section 87** of the *Residential Tenancies Act 2010*. If a Specific Performance Order is granted and the tenant breaches the order, THAC will lodge a relist application with the NSW Civil and Administrative Tribunal at which time an order may be sought to terminate the tenancy.

Orders of termination and possession:

A termination and possession order is an order granted by the NSW Civil and Administrative Tribunal. A termination order legally terminates a tenancy agreement between all parties and states the date in which the tenant must vacate possession.



If the tenant fails to move out of the property and return the keys to the local office on the date specified, THAC will apply for a Warrant of Possession for the NSW Sheriff's Office to evict the tenant.

Difficulty making payments:

When tenants have difficulty making payments they will need to contact their housing officer immediately to discuss alternative options. THAC will work with tenants to support them in sustaining their tenancy.

THAC understand that tenants may at times have financial hardship. Please refer to our Financial Hardship Policy for more information on support and services available.

Ending a Tenancy:

Refer to ending a tenancy policy.

Appeals and Complaints Process:

If a tenant believes the decision made by THAC was incorrect, they should first discuss their concerns with their local office. If the tenant still believes the decision is wrong, the tenant has the right to ask for a formal review as per Tharawal Housing Aboriginal Corporation Appeals and Review decision.

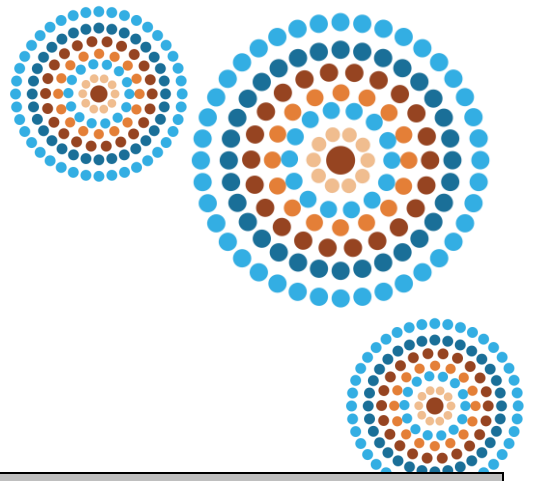
A tenant can only ask for a formal review of tenant charges if:

- It is believed the rental subsidy was not calculated correctly
- The correct amount of credit has not correctly been applied to tenancy charges
- The cancellation of a rental subsidy

The tenant cannot ask for a formal review for debt or charges imposed by the NSW Civil and Administrative Tribunal. The role of the NSW Civil and Administrative Tribunal is to resolve disputes between tenants and landlords.

Responsibility:

Housing and Compliance Project Officer	<p>Monitor and review tenant accounts weekly.</p> <p>Manage rent and non-rent arrears in accordance with Policies, Procedures and Legislations.</p> <p>Conduct annual reviews of policies and make any necessary changes in accordance with policy and legislation changes.</p>
Housing Manager	<p>Ensure policies and procedures are being applied.</p> <p>Provide training to staff where applicable.</p> <p>Report to CEO any issues or matters that need to be escalated.</p>
Board	<p>Monitor the policies efficiency and effectiveness to ensure improve practice and positive outcomes for Aboriginal people.</p> <p>Report any findings and recommendation within its annual report.</p>



Reference:

Legislation:	Related Policy
<i>Residential Tenancies Act 2010</i>	Rent Policy
<i>Aboriginal Housing Act 1998</i>	Water Policy
<i>Residential Tenancies Regulation 2010</i>	Tenant Chargers
<i>Privacy and Personal Information Protection Act 1998</i>	