Arrears Management Policy – Rental Housing

Applies to Property & Housing

Rental Housing

Policy Statement

Uniting endeavours to help tenants to sustain their tenancies and to have quiet enjoyment and use of their rented property. However, the financial viability of Uniting's rental programs depends on tenants paying their rent and other charges on time. This policy provides a framework for the management and collection of arrears.

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1 Purpose

The purpose of this policy is to provide a clear framework for the management and collection of rent and non-rent arrears based on a fair and consistent approach. The policy recognises that early action is crucial if tenants' arrears are to be kept under control, thus avoiding the build-up of a debt they cannot repay, and which may ultimately lead to the loss of their housing.

This policy applies to all Uniting tenants under a Residential Tenancy Agreement.

2 Scope

This policy applies to all relevant Rental Housing and Seniors staff.

3 Compliance

This policy forms part of rental housing suite of documents.

4 Policy principles

Tenants are responsible for ensuring that their rent and other charges (e.g., rental bond or repayment of costs relating to property damage) are paid in full when due. Uniting will take action to seek payment of this debt, in keeping with the relevant Residential Tenancies Act.

- Uniting staff will monitor the payment of rent and other charges and where appropriate will liaise with tenants to help them avoid arrears or to pay off arrears by instalments.

- Failure to pay rent and non-rent charges on time may ultimately result in Uniting taking action to terminate the tenancy.

4.1 Guidelines for application of the policy

Early intervention is crucial when a tenant's rent account goes into arrears, in order to protect the tenant from further debt. Uniting will monitor accounts and contact a tenant if they fall into arrears, with a view to clearing the debt. This may include contact by phone, letter, email or home visits. Detailed information on the procedures to be followed by staff is provided in a separate Procedure document.

Tenants are encouraged to speak to Uniting staff before they get into difficulty with their payments.

Managing rent and non-rent debt may involve different strategies depending on the circumstances. These strategies may include:

- Negotiating a repayment plan. If a tenant is unable to clear the debt in one payment, a minimum weekly repayment amount will be determined based on the tenant's gross household income.
- Referral to financial counselling.
- Referral to Uniting's Home & Community Care Team.
- Obtaining a Specific Performance Order (SPO) through the relevant Civil and Administrative Tribunal. An SPO is a legally binding order.

A SPO will normally be sought only when Uniting has been unable to make contact with the tenant or the tenant does not meet payments under an agreed repayment plan. In cases where the tenant repeatedly fails to keep to a repayment plan or SPO, or has arrears due to persistently late payments, Uniting may issue a Termination Notice and proceed to the relevant Civil and Administrative Tribunal to terminate the tenancy. However, Uniting will only seek to terminate a tenancy when alternative strategies have been tried and failed.

- End of tenancy: If there is an outstanding debt at the end of the tenancy, Uniting will make a claim from the bond for the arrears owing.
- Transfers: Where Uniting is required to transfer a tenant to another Uniting property, Section 140 of the Residential Tenancy Act 2010 (NSW) says that any outstanding debts on the former tenancy will be linked to the new tenancy. Tenants must therefore enter into arrangement with Uniting to repay the debt.

Appealing decisions

If a social housing applicant or tenant disagrees with a decision Uniting has made, they should first discuss their concerns with the person they have been dealing with. If the matter is not resolved, they may lodge an appeal by requesting an Appeal form. For details see Uniting's Social and Affordable Housing Appeals Policy.

5 Roles and responsibilities

The Client Admin Team, Housing Administrator, Village Managers and Housing Managers are all responsible for monitoring arrears. Action will be managed by the Client Admin Team and Tenancy Management Lead.

6 Legislation and standards

- Residential Tenancies Act 2010 (NSW)
- Residential Tenancies Act 1997 (ACT)

7 Related Policy Documents and references

- Community Housing Rent Policy: https://www.facs.nsw.gov.au/__data/assets/pdf_file/0003/333282/NSW-Community-Housing-Rent-Policy.pdf
- Uniting: Internal Rent Arrears process – Independent Living
- Uniting: Ending a Tenancy Policy – Rental Housing
- Uniting: Allocations Policy – Rental Housing
- Uniting: Rent Setting Policy and Procedure – Rental Housing

8 Definitions

Capitalised terms are defined below, or if not defined below, in the *Uniting Policy Framework Glossary*.

Term	Definition
Arrears	Under the Residential Tenancies Act, tenants are required to pay rent on time. Arrears are defined where a tenant has a negative balance on their

Term	Definition
	account at any time. Arrears represent a breach of the tenant’s Residential Tenancy Agreement.