

2.2.9 Rent Arrears



Preamble

Women's Housing Company (WHC) is a not for profit housing association as part of the social housing system in NSW. WHC provides long term housing for single women and medium term housing through support partnerships. Tenure is linked to remaining eligible according to Women's Housing Company criteria and specific program guidelines. Some properties have strict income levels to qualify.

As a social housing provider WHC works to balance tenant support, flexibility and understanding with organisational viability.

Community housing providers are monitored by the Division of Community Housing against benchmarks for service provision. One of these indicators is the level of rent arrears as part of the overall rental income. It is therefore in the interest of Women's Housing Company to keep rent arrears as low as possible.

Women's Housing Company recognises that its tenants have limited financial means and therefore it is in the interest of Women's Housing Company to address arrears as soon as possible and implement strategies to avoid their occurrence.

POLICY

Women's Housing Company will monitor rent arrears on a **weekly basis**. Tenants are notified, as appropriate, when their rent is in arrears with options provided for addressing these. If Tenants are **more than two weeks in arrears** Women's Housing Company will request urgent payment of arrears and will, if no arrangements are made, take further action.

A process to recover rent arrears for arrears above two weeks is facilitated in three stages:

- A request to rectify arrears within seven days.
- A termination notice based on rent arrears.
- An application to the Consumer Trader and Tenancy Tribunal.

At all stages a **rent arrears repayment contract** can be negotiated between WHC and the Tenant. In most circumstances, for arrears over two weeks, Tenants will be expected to commit to pay the equivalent of an additional one week's rent per fortnight until they are two weeks in advance (as per Residential Tenancy Agreement conditions). If this arrangement would place the Tenant into financial hardship then the Tenant and the Housing Worker will negotiate an alternate agreement; all agreements below the standard repayment amount will require evidence of their suitability and approval by the Operations Manager.

Women's Housing Company will not enforce a termination of a Tenant due to rent arrears unless, at minimum, one CTTT determined Special Performance Order to repay arrears

Date developed: 31/12/05

Date/s policy was ratified and/or changed by Board: 28/8/07

Note: Procedures are designed to guide the implementation of a policy and will be updated on a regular basis as part of ongoing best practice service improvement.

has been exhausted. However this is not relevant if there are other tenancy breaches in addition to the rent arrears.

PROCEDURE

Housing Workers will monitor their Tenants' rental arrears weekly to note any changes in rent payments or any outstanding rent payments resulting in rental arrears.

All Tenants who are identified as being in arrears will be sent an initial letter outlining the period and amount of arrears at that date, the requirement under the Residential Tenancy Agreement that rent be paid two weeks in advance, and the consequences (as above) if arrears increase above two weeks in arrears. Tenants will be requested to make arrangements to repay their arrears until they are two weeks in advance.

All Tenants who are identified as being more than two weeks in arrears will be issued a Notice to Remedy outlining the period and amount of arrears, the requirement under the Residential Tenancy Agreement that rent be paid two weeks in advance, and requesting action from the Tenant to address the arrears within seven days. If the arrears have not been paid or the Tenant has not contacted their Housing Worker to make arrangements to address the arrears, within seven days of the Notice to Remedy issue, the Housing Worker will issue a Notice of Termination based on rent arrears.

If satisfactory arrears repayment arrangements have not been actioned by the expiry date of the Notice of Termination, the Housing Worker will initiate CTTT action; all CTTT action requires approval from the Operations Manager. Applications to the CTTT will be for a termination of the tenancy agreement however WHC may seek a termination order to obtain a Specific Performance Order (SPO). CTTT action may also be initiated for tenants who regularly fall into arrears due to unsatisfactory irregular rent payment schedules.

An agreement for rent arrears repayment can be negotiated between the Tenant and the Housing Worker at any stage in the above process. All agreements made between the Tenant and the Housing Worker regarding repayment of rent arrears will be formalised in a written Rent Arrears Repayment Contract. Any agreement for the arrears to be paid at a rate less than the equivalent of one week's subsidised rent per fortnight requires approval from the Operations Manager. WHC may elect to continue the above processes (towards CTTT action) until the Tenant has begun to make repayments or, if previous repayment arrangements have failed, in order to obtain a Specific Performance Order.

Date developed: 31/12/05

Date/s policy was ratified and/or changed by Board: 28/8/07

Note: Procedures are designed to guide the implementation of a policy and will be updated on a regular basis as part of ongoing best practice service improvement.