

Arrears and Debt Management Procedure (UnitingSA Housing)

1. PURPOSE and SCOPE

- 1.1. This procedure applies to UnitingSA Housing tenants and outlines the responsibilities and process involved when dealing with rent arrears and debt management.
- 1.2. Tenants living in properties owned and/or managed by UnitingSA Housing are required to pay tenancy charges. These charges may include rent, water usage, removal costs, any additional levies, tenant charges due to damage and any debt outstanding from a former tenancy with UnitingSA Housing.
- 1.3. The purpose of this procedure is to:
 - 1.3.1. Provide a clear framework for the management and collection of rent and non-rent charges.
 - 1.3.2. Minimise the risk of terminations resulting from unpaid arrears and debts, assist tenants to sustain their tenancy and prevent homelessness.
 - 1.3.3. Ensure the financial sustainability of UnitingSA Housing through the collection of all monies that are due and payable under the Residential Tenancies Act 1995.

2. BACKGROUND

- 2.1. This procedure applies to all properties owned and/or managed by UnitingSA Housing including those that are subject to the Master Community Housing Agreement 2016.
- 2.2. Tenants are legally responsible for paying rent, water charges, and other outstanding debt, in accordance with their Residential Tenancy Agreement and the Residential Tenancies Act 1995. Failure to pay rent and non-rent charges on time may result in the tenancy being terminated.

3. DEFINITIONS

- 3.1. **Arrears:** Unpaid and overdue rent monies that a tenant has failed to pay in accordance with their Residential Tenancies Agreement.
- 3.2. **Debt:** Any amount that has remained unpaid for more than 28 days and may result from water charges, tenant charges or end of tenancy charges relating to a former tenancy etc.

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4. PRINCIPLES

4.1. UnitingSA Housing will:

- 4.1.1. Treat all tenants equitably with respect to management of rent arrears and debt.
- 4.1.2. Adopt an early intervention approach to mitigate arrears risk and identify other risk factors.
- 4.1.3. Inform tenants of their legal obligations regarding payment of rent, rent arrears and debt.
- 4.1.4. Engage where possible tenancy specialists or other support services to assist tenants that are experiencing financial difficulties.
- 4.1.5. Comply with the Residential Tenancies Act 1995.

5. PROCEDURES

5.1. Managing rent arrears and debt of current tenants:

- 5.1.1. UnitingSA Housing will closely monitor tenant accounts on a weekly basis. When a rent account falls into arrears or water charges and/or other debts remain unpaid, the tenant will be contacted by UnitingSA Housing to try to resolve the issue(s) and to prevent rent arrears and non-rent charges from accumulating into large, unmanageable amounts.
- 5.1.2. Managing rent arrears and debt may involve a range of actions depending on the circumstances of the individual tenant. These actions may include:
 - Requesting a lump sum payment;
 - Negotiating an affordable repayment agreement with the tenant;
 - Referring the tenant to financial counselling and support services;
 - Taking action through the South Australian Civil and Administration Tribunal (SACAT) for eviction proceedings.

5.2. Assisting tenants to meet their financial responsibilities:

- 5.2.1. UnitingSA Housing will keep tenants informed and up to date about their rent account and non-rent charges. UnitingSA Housing will do this by:
 - Promptly notifying tenants when their accounts go into arrears;
 - Providing rent statements when requested by a tenant;
 - Undertaking rent reviews every six months.
 - Completing a rent calculation if there is a change of circumstance within the household.

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5.2.2. UnitingSA Housing promotes a positive payment culture in a range of ways:

- Tenants are reminded at tenancy sign-up and at other key contact points regarding the importance of meeting their responsibility for paying their rent and non-rent charges in full;
- Providing flexible and efficient payment options;
- Providing tenants with their Property Manager's contact details to enable them to discuss their rent or other tenancy charges;
- Where appropriate referring tenants to other agencies that provide a range of financial support and services including Centrelink.

5.3. Appealing decisions or actions:

5.3.1. Tenants will be made aware of their right to appeal, and be provided with written information explaining the process should they wish to exercise their right to lodge an appeal.

6. REFERENCES

- 6.1. Residential Tenancies Act 1995
- 6.2. Community Housing Rent Policy and Procedures
- 6.3. Rent and Rent Management Procedure (UnitingSA Housing)
- 6.4. Appeals Procedure (UnitingSA Housing)
- 6.5. SA Gov website
- 6.6. UnitingSA Housing Fact Sheets
- 6.7. UnitingSA Housing Tenant Handbook