

Scope

This policy applies to all tenants of Pacific Link Housing Limited (PLH).

Purpose

The Bonds and Tenant Charges Policy explains the obligations of tenants for property care and reporting damage under the Residential Tenancies Act 2010 (RTA). The Policy outlines the way that PLH seeks to ensure its responsibilities as a landlord under the RTA are met in providing tenants with properties that are clean, safe and functional and the circumstances where PLH recharges costs to tenants.

Bonds

New tenants are required to pay a bond at the commencement of tenancy on or prior to signing their Residential Tenancy Agreement. PLH conducts a property condition inspection and provides the tenant with a copy of the inspection report. PLH lodges the bond amount with NSW Rental Bond Board. The amount of bond payable is generally the greater of the equivalent of four weeks subsidised rent or \$600.

FACS Rent Policy requires that payment of a bond should not place an unreasonable affordability burden on tenants. Should a tenant have difficulty in paying the full bond, PLH may agree a payment plan as follows:

- at least half of the bond must be paid on signing the lease
- remainder of bond paid by instalments of no less than \$50 per fortnight, for up to a period of six (6) months via a direct debit arrangement eg through Centrepay.

At the end of a tenancy, PLH will conduct a property condition inspection and determine any expenses that are to be deducted from the bond, communicate these to the tenant and notify the Rental Bond Board.

Responsibilities under Residential Tenancies Act

Under the RTA, landlords and tenants have responsibilities in relation to the property, and how tenant charges are managed.

PLH is responsible to:

- Abide by the terms and conditions of the Residential Tenancy Agreement and ensure that the property is safe, clean and functional.
- Conduct an inspection with the tenant and complete a Property Condition Report when the tenant moves in and again on vacating the property.
- Collect and record information, including photographs, showing the type of damage to the property and how the damage may have occurred.
- Ensure cost recovery through tenant recharges are dealt with transparently and efficiently.
- Provide tenants with written notice when PLH considers the tenant is responsible for tenant repair or service costs. This notice will be provided and recovery action instigated within 90 days as per NSW Civil and Administrative Tribunal (NCAT) rules.

Tenants are responsible to:

- Abide by the terms and conditions of the Residential Tenancy Agreement.
- Take good care of the property and keep it reasonably clean.
- Tell PLH as soon as possible if the property has been damaged.
- Pay any costs for damage that result from deliberate action, mistreatment or negligence of a tenant, household member or visitor.

- Comply with NSW Civil and Administrative Tribunal (NCAT) orders to pay the cost of repairs or cleaning.
- Report to the NSW Police any damage that is suspected to have resulted from criminal activity, such as break and enter, vandalism or domestic violence; and provide PLH with an event number.
- Arrange for rectification of any approved alterations requested by the tenant by a contractor that has been approved by PLH.
- Restore the property to the condition it was in at the start of the tenancy, after allowing for fair wear and tear; and
- Return all keys to PLH before close of business on date property is vacated.

Where damage to a property has occurred, PLH will undertake repairs to ensure that a property remains at a clean, safe and functional standard. After PLH has undertaken a repair or service, an assessment will be made about who is responsible for the costs. Tenant damage is defined as damage that is the result of the deliberate action, mistreatment or negligence of a tenant, household member or visitor. Not all damage is a result of negligent or deliberate behaviours. Fair wear and tear means damage that happens to a property through ordinary day-to-day use of the property by a tenant, for example, carpet becomes worn over time from people walking on it. Under no circumstances are tenants to attempt to undertake repairs themselves.

Tenant Charges for Property Damage

Damage to the property that is the tenant's responsibility includes:

- damage that is intentional and constitutes vandalism
- damage from unauthorised alterations
- failure to prevent damage (neglect)
- failure to prevent damage by a household member or visitor
- failure to keep the premises in a reasonably clean condition, or
- failure to restore the property to the condition it was in at the start of the tenancy, after allowing for fair wear and tear.

The following types of damage or services may incur a tenant recharge:

- broken windows
- punctured internal cabinet doors and walls
- burns or other damage to carpets that cannot be considered fair wear and tear
- broken and damaged clotheslines and hoists
- broken locks or where keys or security passes have not been returned at the end of a tenancy
- damaged/missing doors and security screens
- damage to toilets and basins
- sewer chokes caused by items flushed down the toilet, such as sanitary pads, wipes, nappies or toys
- unauthorised or unsatisfactory alterations made to a property or
- pest control expenses.

PLH undertakes regular routine inspections of properties throughout the tenancy (refer Property Inspections Policy). If our staff identify damage, unauthorised alterations or services required for the property, this will be documented and, where appropriate, works will be arranged to fix the damage. Date-stamped photographs will be taken of any repairs identified as rechargeable to tenants.

Other Tenant Charges

Below is a summary of other costs, not related to property damage, that PLH recharges to tenants:

Replacement of Keys

If a tenant locks themselves out or loses their keys and PLH organises a locksmith, the tenant will be recharged for the costs of gaining access and/or for the replacement of the lock(s).

Police, Emergency Services Entry

In instances where the police or emergency services are required to gain access to a property, the tenant may be invoiced for the cost of any associated damage.

End of Tenancy Cleaning or Make-Good

Tenants are responsible for ensuring that properties are returned to PLH in the same condition at the end of the tenancy as it was at the commencement of the tenancy except for fair wear and tear. Tenants will be required to pay any costs necessary to make good damage to a property, for end of tenancy cleaning, for removal of any items left behind (including furniture, appliances, personal effects, rubbish or vehicles) and for replacement of locks and keys or security passes that are not returned. Date-stamped photographs will be taken to substantiate any costs identified as rechargeable.

Contractor Callout Fees

If a tenant confirms an appointment with a PLH contractor and is not available at the confirmed time, the tenant will be charged the cost of the contractor callout fee. A minimum notice of 24 hours is required from tenants for cancellation of planned works, and no cancellation is accepted for urgent works.

Pest Control

In all PLH properties, tenants are responsible for the eradication of pests, including but not limited to rats, cockroaches, bedbugs and fleas if the infestation occurs after the tenant has moved in. In situations where tenants do not take reasonable precautions to deal with a pest infestation and, as a consequence, any neighbouring properties become infested due to the tenant's neglect, PLH may recharge the tenant who neglected their responsibilities for the costs of pest control.

Other costs

PLH may charge tenants bank fees that have been incurred on dishonoured payments.

Water usage

Water usage charges are explained in PLH's separate Water Charges Policy.

Determining Responsibility for Property Damage

To determine who is responsible for the cost of repairing damage to the property PLH will:

- Take into account the type of damage and any information concerning liability the tenant gives to PLH when reporting the damage.
- Inspect the premises and document the damage where appropriate.
- Discuss the items of damage with the tenant and record information the tenant or a third party gives PLH about the possible cause of the damage.

- Take into account the condition of the premises at the beginning of the tenancy, as stated in the Property Condition Report and any evidence of work undertaken on the property.
- Take into account damage due to fair wear and tear, which PLH are responsible to repair.
- Take into account damage due to an emergency situation where there was good cause to believe that the tenant's health and wellbeing was at risk.
- Consider whether ill health or inability to maintain the premises has contributed to the damage. In these circumstances the tenant is required to provide evidence.
- Consider whether the damage is a result of criminal activity such as domestic violence, break and enter or vandalism. In circumstances of criminal activity the tenant is requested to provide evidence within fourteen (14) days, proving the tenant has reported the matter to the NSW Police, such as a Police statement or Police Event Number.

Where PLH determines that the damage is a result of intentional damage, mistreatment or neglect, the tenant will be responsible for the cost of repair work and PLH will seek to recoup the cost of repairing the damage from the tenant. In certain circumstances, for example where the damage is a result of criminal activity or acts of nature, PLH may seek to claim costs through insurance. In the case where a tenant damages, makes alterations or modifications to a property that are identified as being dangerous or unsafe, immediate remedial works will be undertaken by PLH and the tenant will be responsible for the cost of the works.

Pursuing Tenant Recharge Debt

The debt associated with tenant charges will be added to the tenant's non-rent account. Outstanding tenant charges will be pursued in accordance with PLH's Arrears Policy.

Repeat or Serious Incidents of Tenant-responsible Damage

Where PLH has sufficient evidence of repeat or serious incidents of tenant-responsible damage, PLH will immediately take action that will include taking the matter to the NCAT to obtain a specific performance order. Where the damage is significant, PLH may take action to end the tenancy.

Complaints and Appeals

If a tenant is not satisfied with a service provided by PLH or does not agree with a decision it has made in relation to tenant charges, they should first discuss their concerns with their Housing Manager. If they are still not satisfied they can ask for a formal review. Refer Complaints and Appeals Policy.

Craig Brennan

Craig Brennan, CEO May 2019