

### Scope

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

### Purpose

Tenants living in properties owned or managed by PLH are required to pay rent and other tenancy costs, known as non-rent. Non-rent includes water usage charges, tenant charges for repair of property damage or cleaning at the end of a tenancy and any debt carried over from a former tenancy. The purpose of this Policy is to provide a clear framework for the management and collection of rent and non-rent charges in accordance with the Residential Tenancies Act 2010 (the Act) and to assist tenants to sustain their tenancy and prevent homelessness.

### Tenant Responsibilities

In accordance with their Residential Tenancy Agreement, tenants are responsible for ensuring that their rent and non-rent is paid in full when due. PLH understands there are competing demands upon households to meet their commitments, however, the payment of rent and non-rent charges should be considered a priority.

Arrears are a debt owed to PLH when a tenant fails to make the required rent and non-rent payments, and is a breach of the Residential Tenancy Agreement. Tenant responsibilities in relation to the costs of their tenancy are to:

- pay rent and non-rent charges when due and in full in accordance with their Residential Tenancy Agreement and the Act
- keep their rent account up to date throughout their tenancy
- not have a negative balance on their rent or non-rent account at any time, and
- comply with any Payment Plan agreed with PLH.

Failure to meet these responsibilities will result in PLH taking action that, and in serious cases, may result in the tenancy being terminated and possible loss of housing. Where tenants are having difficulty in making payments, they should immediately contact PLH to discuss their circumstances.

### Assisting Tenants to meet their Financial Responsibilities

PLH will keep tenants informed and up to date about their rent and non-rent accounts. PLH will do this by:

- informing tenants of their legal obligations regarding payment of rent and non-rent at tenancy sign-up and at other key tenant contact points.
- sending rent statements on request.
- promptly notifying tenants when they go into arrears through phone calls and messages or, if no contact is made, in writing.
- providing tenants with their Housing Officer's contact details to enable them to discuss their rent or other tenancy charges.
- conducting regular and timely rent reviews.

PLH staff will work proactively with tenants to address any underlying issues impacting on their tenancies to ensure that, where possible, tenants do not lose their property through non-payment of rent. PLH's guiding principles in managing rent and non-rent arrears are:

- promptly referring tenants to financial counselling or other support services where tenants are experiencing financial difficulties.
- for a supported tenancy, PLH will discuss the arrears with the tenant and their support agency (if permission has been given) with a view to developing a strategy to clear any debts.

- maintaining a fair and consistent approach and not making arbitrary exceptions for some tenants or expecting more of one tenant than would be expected of another.
- ensuring the financial sustainability of PLH through the collection of all monies that are due and payable under the Act.
- complying with the Act and any other relevant legislation.

### Early Intervention

Once arrears are identified, PLH engage with early intervention to prevent debt from becoming unmanageable for tenants. This approach is a priority for PLH staff who will proactively monitor all rent and non-rent accounts. PLH will encourage tenants to speak to their Housing Officer before they get into difficulty with their payments. PLH will make contact with tenants as soon as they go into arrears using letters, phone calls, text messages, email and home visits where allowed (see Access to a Property Policy).

### Payment Plans

PLH will, in the first instance, expect all outstanding debts to be paid in full immediately. Where arrears remain unpaid for 14 days or more, a Notice of Termination may be issued. PLH will work with the tenant to pay the arrears through either a lump sum payment or transfer of a balance (if the tenant has a credit on another account). Where a tenant's rent account is in advance by more than two weeks, the tenant may provide written consent to transfer of the rent in advance to a non-rent debt.

If, after the above steps are taken, a debt relating to a current tenancy or a previous tenancy with PLH remains, the tenant must enter into a Payment Plan arrangement to pay the amount owing.

The following terms apply to Payment Plans for rent, non-rent tenant charges and prior tenant debt:

- Maximum repayment period is 3 months, provided the minimum payment is rent plus 2 additional days' rent per week or 4 days per fortnight).
- The first payment in a Payment Plan must be received within 14 days of the commencement date of the Plan.
- Tenants can provide a written authority allowing PLH to commence payments under a Payment Plan via a Centrepay deduction.
- Where a tenant has an existing Payment Plan or Specific Performance Order (SPO) with a balance to pay, any new debt added during the payment plan or SPO term will have the maximum 3 month repayment period applied.

PLH will closely monitor payments for compliance with an agreed Payment Plan. If a tenant misses a payment PLH will contact the tenant, request immediate payment and advise that a second missed payment will result in a Notice of Termination being issued and action through NSW Civil and Administrative Tribunal (NCAT) will follow.

### NCAT Action

Where PLH has been unable to make contact with the tenant or the tenant refuses to either pay the debt or to enter into a Payment Plan, PLH will apply to the NCAT for an SPO, to formalise a Payment Plan or an order to terminate the tenancy.

If PLH has tried to address arrears with a tenant but a tenant is repeatedly unable to keep to a Payment Plan or SPO, PLH may proceed to the NCAT for eviction proceedings. PLH will only evict a tenant for arrears when alternative actions have been tried and failed or a tenant frequently makes late payments.

PLH will not negotiate with the tenant if the tenancy is terminated by the NCAT. In compliance with the Act, PLH will inform the tenant in writing at each stage of the process of their rights and options for advocacy and appeal.

**Debt Owed at the End of a Tenancy**

When a tenancy ends and all payments and charges relating to the property have been reconciled, tenants will be advised of any debits or credits on their rent and non-rent accounts. To ensure tenants receive any credits, it is important they provide a forwarding address and telephone number to PLH. Tenants have an obligation to pay all outstanding debt. With the tenant’s permission, PLH will apply any credit balance on a tenant’s account or the bond towards any outstanding debt.

PLH will work proactively with former tenants to ensure that debts are repaid. If a tenant continues to be housed by PLH and is transferred to another PLH property the tenant will be expected to enter into arrangements with PLH to repay the former tenancy debt. Where there are outstanding debts from a former tenancy and the tenant fails to pay or continue a Payment Plan, PLH may apply to the NCAT for an SPO or termination of the tenancy or seek remedy via other avenues, as appropriate.

Where the tenant is no longer housed by PLH, PLH will follow Housing Pathways’ Social Housing Eligibility and Allocations Policy guidelines for former tenants. Tenants will be made aware that a debt with a social housing provider can impact on any future applications for housing assistance. If the debt remains unpaid, PLH reserves its right to take further legal action through NCAT, the Local Court or other means to recover the money owed.

**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, they should first discuss their concerns with their Housing Officer. If they are still not satisfied they can ask for a formal review by PLH. Refer Complaints and Appeals Policy.

If a tenant is unhappy with the outcome of an appeal review undertaken by PLH, they may be able to seek further review of PLH’s decision by an external body. When PLH confirms the outcome of an appeal, it will provide guidance to tenants on the bodies that may be able to undertake an external review.

**Related Documents**

- Residential Tenancies Act 2010
- Residential Tenancies Regulation 2010

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