

# Arrears and Debt Management Policy

## 1. Purpose

To define HOME in PLACE (Australia) Limited approach to the management of debt incurred by tenants and former tenants.

## 2. Scope

This policy applies to tenant and former tenants of property owned or managed by HOME in PLACE.

## 3. Policy Statement

HOME in PLACE is committed to providing social and affordable housing. HOME in PLACE is able to apply and recover tenancy related charges in accordance with the provisions of the Residential Tenancies Act 2010 and the Housing Act 2001. HOME in PLACE understand there are competing demands upon families to meet their commitments, however, the payment of rent and non-rent charges should be considered a priority. HOME in PLACE will manage the recovery of rent and non-rent arrears with privacy and sensitivity.

By implementing this policy HOME in PLACE can:

- Have an effective arrears and debt management process;
- Minimise the risk to terminations of tenancies resulting from arrears and debts;
- Assist tenant to sustain their tenancy and prevent homelessness.

## Guiding Principles

HOME in PLACE will:

- Adopt an early intervention approach to mitigate the risks of arrears and debt;
- Inform tenants of their legal obligations to pay rent, rent arrears and debt;
- Make referrals to our Community Participation Officers (CPOs) and other support services to assist tenants that are experiencing financial difficulties;
- Comply with the requirements of the Residential Tenancies Act 2010 (NSW).

## Managing Arrears & Debt

Tenants have a legal obligation to pay their tenancy charges. Former tenants have an obligation to pay all debt outstanding at the end of their tenancy.

## Advising Current tenants of Arrears on Their Tenancy Accounts

HOME in PLACE may contact tenants in writing, by phone, SMS or by visiting them at their property if their accounts fall into arrears. HOME in PLACE will respond quickly to inform tenants of arrears to prevent the debt from escalating.

## Managing Current Accounts in Arrears

HOME in PLACE expects all outstanding debts to be repaid and will, in the first instance, ask that all outstanding monies be paid in full.

If a tenant is experiencing difficulties that affects their ability to pay in full, HOME in PLACE may accept a repayment arrangement by entering into a payment plan with the tenant, tenants will be asked to provide information on their financial situation prior to entering into a repayment plan. HOME in PLACE may also refer a tenant to financial or other support services that can assist them to manage their finances.

If a reasonable repayment arrangement cannot be negotiated, or a tenant fails to meet the agreement, HOME in PLACE may take action in the NSW Civil & Administrative Tribunal (NACT) and seek a Specific Performance Order to repay the debt or an order to terminate the tenancy. Where arrears remain unpaid for 14 days or more, a Notice of Termination may be issued.

## Managing Arrears and Debt of Former Tenants

When a tenant vacates a HOME in PLACE property, the rent and non-rent accounts will be reconciled and tenants will be advised of any credits or debits on their accounts. To ensure tenants receive any credits, it is important they provide a forwarding address and telephone number to HOME in PLACE.

Tenants are expected to pay all outstanding debts, HOME in PLACE will work with tenants to ensure that debts are repaid. If debts remain unpaid HOME in PLACE reserves its right to make application to the NCAT for a Money Order and take enforcement proceedings in the Local Court or take any further legal and commercial actions not specified herein to collect outstanding debts due and payable.

Tenant will be made aware that a debt with a social housing provider can impact on any future applications for housing assistance.

When the accounts have been reconciled and the accounts are in credit, HOME in PLACE will refund the money to the tenant. Tenants will be asked to complete a refund form and provide details of how they want the credits refunded, for example, direct deposit into a nominated bank account.

## Review of Decisions

If a tenant disputes the arrears or debt claims by HOME in PLACE, they should first discuss this with a Tenancy Relations Officer. If a tenant is still dissatisfied, they can ask for a review of the claim. The NCAT also hears matters relating to arrears and debt.

## 4. Definitions and Acronyms Glossary

For clarification of any definitions or acronyms contained within this document, please click on the [Glossary](#) for information.

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