

Document Name	Rent Arrears Policy
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Rent Arrears Policy

Context

Salvation Army Housing, Salvation Army Housing (Victoria) and Salvos Housing (together “SAH”) provide housing to people with low to moderate income who are disadvantaged by the private rental market and / or unable to secure long term housing. SAH is committed to promoting successful and sustainable tenancies whilst sustaining the financial viability of its housing programs.

This policy outlines SAH’s approach to rent arrears.

Policy Statement

SAH intends to minimise rent arrears through its practices and where arrears do arise, will work with tenants to retrieve those arrears. Eviction due to rent arrears will be used as a last resort and in compliance with legal, regulatory and contractual obligations.

Rental charges and payments flexibility

SAH will seek to enable tenants to avoid arrears by adopting the following strategies:

- Where practical, aligning rent payment with a tenant’s ability to pay. Eg alignment with tenant’s pay or Centrelink payment cycle.
- Encouraging tenants who receive Centrelink to make payments using the Centrepay deductions.
- Informing tenants of the importance of maintaining a positive rent balance and encouraging the tenants to speak with their tenancy manager or support worker about rent management.

Early intervention

To sustain tenancies within the housing programs, SAH will take prompt and preventative action to ensure that incurred rent arrears are prevented, minimized or do not escalate.

SAH will endeavor to identify challenges that impact on rental payments in a timely manner and provide tailored alternatives where possible.

Communication and Hardship Assessment

SAH will contact a tenant as soon as rent arrears have been incurred and work with the tenant to determine the rental payment challenges and potential support to address these identified challenges.

This will involve SAH reviewing if rent deductions methods, cycle or process needs to be amended to enable the tenant to make timely rental payments.

SAH will work with the tenant directly or with the assistance of a tenant’s Support Worker if they have one, to ensure relevant referrals and / or support is assigned to support the tenant with the identified challenge.

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SAH will clearly outline the legal processes concerning rent arrears, that allows the tenant to make an informed decision on how to proceed with the rental arrears debt.

Rent arrear recovery

To allow the tenant to remedy the rent arrears debt SAH will discuss options with the tenant that may include:

- re-payment agreement plan; or
- agreement of a lump sum payment;
- if circumstances have changed, SAH will seek evidence of household income to be able to adjust rent in line with received income (refer to Rent Setting Policy).

The tenant can contact SAH at any time to negotiate a review and assessment of rent arrears debt.

Rent Arrears legal process

If a tenant does not comply with a re-payment agreement and / or does not engage with SAH to address the rent arrears debt SAH may pursue rent arrears in line the relevant State Residential Tenancies Act.

Scope

This policy applies to all transitional housing and long-term rental properties owned or managed by SAH under all relevant programs.

This policy does not apply to the following housing programs run by SAH:

- properties managed by SAH behalf of other property owners where the owner retains responsibility for determining rent; and
- temporary or crisis accommodation.

Definitions

n/a

Related legislation, policies and or procedures

- Residential Tenancies Act - Victoria 1997
- Residential Tenancies Act – South Australia 1995
- Residential Tenancies Act – Western Australia 1987
- Residential Tenancies Act – NSW 2010
- Residential Tenancies and Rooming Accommodation Act - QLD 2008
- Residential Tenancies Act – A.C.T 1997
- Residential Tenancies Act – Tasmania 1997
- Arrears Management Procedures
- Rental Hardship Suspension Policy and Procedure