

ARREARS MANAGEMENT AND HARDSHIP POLICY

The co-operative's policies relating to arrears management and hardship are detailed below in extracts from the current version of the Member Manual:

3.9 Rent Arrears

Tenants must not have rent arrears at any stage of their tenancy.

3.10 Rent Arrears Procedure

- SouthEast considers eviction a failure and will do all it reasonably can to avoid evictions.
- SouthEast will endeavour to resolve rent arrears with individual renters to avoid action through the Victorian Civil and Administration Tribunal (VCAT)
- SouthEast will seek to identify at risk renters early. At risk renters will be offered support to assist them meeting their rental responsibilities and avoid legal proceedings, which could lead to their eviction.
- Tenants with a poor payment history are encouraged to use the Centrelink Rent Deduction Scheme (RDS) and/or automated electronic payment.
- The rights and responsibilities of renters and residential renter providers are set out in the Residential Tenancies Act 1997 (RTA 1997).
- Legal action as prescribed by the RTA (1997) is initiated in circumstances where renters with rental arrears fail to contact the SouthEast Office or fail to meet their agreement to repay the debt.
- SouthEast's rental arrears policy provides renters with an opportunity to repay rental arrears through negotiation with the SouthEast Office. SouthEast will regularly inform renters that they have advocacy assistance through the SHASP program.

Add to 3.10

- If there is a possession order for rent arrears, VCAT may adjourn it and order the renter to get financial counselling or another form of support.
- A new 'strike' system applies; the first four times in a 12-month period a renter is given a notice to vacate for non-payment of rent are treated differently to the fifth and subsequent times a notice is given.
- If a renter has received four notices to vacate for rental arrears in a 12-month period, they will accrue '4 strikes' against their name. If no more notices are received during that period, the strikes will be cleared when the 12-month period ends.
- However, if a fifth or subsequent notice is given in the same 12-month period, the rental provider may apply to VCAT for a possession order at the end of the 14-day notice period, and VCAT may issue the order even if the renter pays the outstanding rent within the 14-day notice period.
- Further, VCAT cannot dismiss the application solely on the grounds that the renter could pay off the unpaid rent under a payment plan

OCCURRENCE	ACTION
Tenant has less than two weeks in arrears	The tenant will be contacted to discuss catching their arrears up.
Tenant is more than two weeks in arrears.	The tenant will immediately be sent a Rent Arrears Letter with the contact details of a SHASP agency. If there is no response by the tenant after 4 days, of posting the Rent Arrears Letter, the tenant will be phoned by

	<p>SouthEast staff. If there is no response by the tenant within two days of phoning or the tenant does not meet any agreement they have made to make arrears repayment, a Notice to Vacate is sent to the tenant by Registered mail, holding onto the receipt as proof of service.</p>
<p>Tenant does not pay rent arrears after the 14 day Notice to Vacate is issued.</p>	<p>If there is no response by the tenant to the 14 day notice to Vacate after seven working days (the tenant is now at least 25 days in arrears), commence VCAT proceedings for a consent order instructing the tenant to pay rent plus arrears.</p>
<p>Tenant pays rent and arrears after receiving VCAT notice of hearing.</p>	<p>If rent arrears are paid in full, a VCAT hearing will still proceed. This will demonstrate to all renters the seriousness of the situation. At the hearing, a consent order is requested.</p>
<p>Tenant does not pay rent and arrears after receiving VCAT notice of hearing and attends hearing.</p>	<p>SouthEast will agree to a consent order if the tenant attends the hearing. If VCAT issues a consent order, SouthEast will write to the tenant to remind them that their tenancy will be at risk if they do not meet VCAT's requirements.</p>
<p>Tenant on a consent order makes inconsistent payments.</p>	<p>SouthEast applies to reactivate VCAT Hearing and a Vacant Possession is requested.</p>

Tenant does not pay rent and arrears after receiving VCAT notice of hearing and does not attend hearing.

SouthEast will ask for an Order of Possession. If VCAT issues an Order of Possession, the tenant is contacted promptly in writing to arrange an interview to discuss their potential eviction. At the interview, renters are asked to consider:

- Signing an agreement to repay the outstanding rental arrears amount in affordable instalments
- Payment to be made in full, or
- Eviction via Warrant of Possession.

Tenant makes insufficient progress in paying rent and arrears

The tenant will be contacted and reminded of the seriousness of their arrears, the importance of making payment and the potential for eviction.

Tenant continues makes insufficient progress in paying rent and arrears

The Vacant Possession Order is converted to a Warrant of Possession which the police are requested to execute upon renters.

All associated VCAT costs incurred by SouthEast are to be passed to the Tenant