



Arrears Management and Hardship Policy

Policy Description:

This policy sets out SouthEast Housing Cooperative's policies in relation to arrears management and hardship as detailed in the below extracts from the current version of the Member Manual.

Applies to:

This policy applies to all tenants of properties owned or managed by SouthEast Housing Cooperative.

Definitions:

SHASP	Social Housing Advocacy and Support Program

Relevant policy statements and/or principles:

3.9 Rent Arrears

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

Procedure:

3.10 Rent Arrears Procedure

- SouthEast Housing Cooperative considers eviction a failure and will do all it reasonably can to avoid evictions.
- SouthEast Housing Cooperative will endeavour to resolve rent arrears with individual tenants to avoid action through the Victorian Civil and Administration Tribunal (VCAT)
- SouthEast Housing Cooperative will seek to identify at risk tenants early. At risk tenants will be offered support to assist them to meet 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 tenants and landlords are set out in the Residential Tenancies Act 1997 (RTA 1997).
- Legal action as prescribed by the RTA (1997) is initiated in circumstances where tenants with rental arrears fail to contact the SouthEast Housing Cooperative Office or fail to meet their agreement to repay the debt.

- SouthEast Housing Cooperative's rental arrears policy provides tenants with an opportunity to repay rental arrears through negotiation with the SouthEast Housing Cooperative Office. SouthEast Housing Cooperative will regularly inform tenants that they have advocacy assistance through the SHASP program.

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	<p>The tenant will immediately be sent a Rent Arrears Letter with the contact details of a SHASP agency.</p> <p>If there is no response by the tenant after 4 days, of posting the Rent Arrears Letter, the tenant will be phoned by SouthEast Housing Cooperative 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>
Tenant does not pay rent arrears after the 14 day Notice to Vacate is issued.	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.
Tenant pays rent and arrears after receiving VCAT notice of hearing.	If rent arrears are paid in full, a VCAT hearing will still proceed. This will demonstrate to all tenants the seriousness of the situation. At the hearing, a consent order is requested.
Tenant does not pay rent and arrears after receiving VCAT notice of hearing and attends hearing.	SouthEast Housing Cooperative will agree to a consent order if the tenant attends the hearing. If VCAT issues a consent order, SouthEast Housing Cooperative will write to the tenant to remind them that their tenancy will be at risk if they do not meet VCAT's requirements.

Tenant on a consent order makes inconsistent payments. SouthEast Housing Cooperative applies to reactivate VCAT Hearing and a Vacant Possession is requested.

Tenant does not pay rent and arrears after receiving VCAT notice of hearing and does not attend hearing. SouthEast Housing Cooperative 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, tenants 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.
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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 to make 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 tenants.

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

Related Legislation, SEHC Documents and Other Documents:

Legislation / Standards:	
Organisational Documents:	Member Manual
VHR Documents / Guidelines:	

Policy Management:

Policy owner (role title):	Board
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Role responsible for implementing:	Board and CEO
Review arrangements:	Every 24 months via internal review
Next Review Date:	June 2024

Document History:

Date:	Controlled Version Number:	Author:	Approved by:	Comment:
24 June 2022	1.0	S. Morrissey (CEO)	Board	Board approved version migrated for display on SEHC website