

Arrears Management and Hardship Policy

Policy Description

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

Scope

This policy applies to all members and renter of properties owned or managed by SouthEast Housing Co-operative.

Definitions

RTA	Residential Tenancies Act 1997
SEHC	SouthEast Housing Co-operative
SHASP	Social Housing Advocacy and Support Program
VCAT	Victorian Civil and Administration Tribunal

Relevant policy statements and/or principles

- Rent should always be paid in advance, with renters making every effort to avoid falling into arrears. If a renter falls into arrears, it is expected that they will proactively make contact with SouthEast Housing Co-operative.
- SouthEast Housing Co-operative will seek to identify at risk renters early. At-risk renters will be offered support to assist them to meet their rental responsibilities and avoid legal proceedings, which could lead to their eviction.
- The rights and responsibilities of renters and rental providers are set out in the RTA.
- SouthEast Housing Co-operative’s rental arrears policy provides renters with an opportunity to repay rental arrears through negotiation with the aim to reach a reasonable and fair repayment arrangement with the SouthEast Housing Co-operative for the arrears to be repaid within a reasonable timeframe. As part of these discussions, SouthEast Housing Co-operative will inform renters that they can access advocacy assistance through the SHASP program.
- SouthEast Housing Co-operative will endeavour to resolve rent arrears with individual renters to avoid action through VCAT. However, legal action as prescribed by the RTA via VCAT will be initiated in circumstances where renters with rental arrears fail to communicate with SouthEast Housing Co-operative or fail to meet their agreement to repay the debt.
- SouthEast Housing Co-operative considers eviction a last resort and will do all it reasonably can to avoid evictions.
- Renters with a poor payment history are encouraged to use the Centrelink Rent Deduction Scheme and/or automated electronic payment.

Procedure

OCCURRENCE	ACTION
Renter is aware rent has not been paid.	Renter to contact Tenancy Officer to discuss as soon as they become aware of rent payment issue.
Renter is more than two weeks in arrears	<ol style="list-style-type: none">1. Renter is sent an SMS advising them of their arrears and asking them to contact SEHC within 24 hours.2. If no response within 24 hours, SEHC calls renter.3. If no response to phone call, letter is sent to renter confirming arrears amount, last payment information, contact information for local support services and timeline for response.4. Renter has five business days from the letter to come back to SEHC with a catch-up agreement proposal. If the renter fails to make contact SEHC will continue to attempt communications, via SMS, phone calls and email.5. If after two weeks no agreement has been made, a Notice to Vacate is issued.
Renter does not pay rent arrears after the 14 day Notice to Vacate is issued.	If there is no payment in full, or agreement reached by the parties before the vacate date listed on the notice, SEHC will commence VCAT proceedings for a consent order instructing the renter to pay rent plus arrears.
Renter pays rent and arrears after receiving VCAT notice of hearing.	If rent arrears are paid in full, the notice will remain on the renter's tenancy record but if it is the first notice SEHC will cease VCAT action. If it is a subsequent notice SEHC may proceed to VCAT for a compliance order.
Renter does not pay rent and arrears after receiving VCAT notice of hearing and attends hearing.	SEHC may agree to a consent order if the renter attends the hearing. If VCAT issues a consent order, SEHC will write to the renter to remind them that their tenancy will be at risk if they do not meet VCAT's requirements.
Renter on a consent order makes inconsistent payments	SEHC will make a priority application to VCAT to request a VCAT Hearing and will seek an order of possession.
Renter does not pay rent and arrears after receiving VCAT notice of hearing and does not attend hearing.	SEHC will ask for an Order of Possession. If VCAT issues an Order of Possession, the renter will be advised of the order, and the parties will enter into discussions to determine the timeline of the renter's exit from the property, or if there are any

extenuating circumstances that need to be considered. If the renter fails to communicate with SEHC the warrant of possession will be purchased.

If there are no extenuating circumstances, and the renter has not resolved the arrears in full. SEHC purchases the warrant of possession which the police are requested to execute upon renters. This results in the renter/s being evicted from the property.

Related Legislation, SEHC Documents and Other Documents

Legislation / Standards:	<ul style="list-style-type: none"> • Housing Act 1983 (Vic) • Performance Standards for Registered Housing Agencies • Residential Tenancies Act 1997 • Charter of Human Rights and Responsibilities 2006
Organisational Documents:	Transfer ex Member Manual

Policy Management

Policy owner (role title):	Board
Role responsible for implementing:	Board and CEO
Review arrangements:	Every 3 years via internal review
Next Review Date:	25 June 2027

Document History

Date	Controlled Version Number	Author:	Approved by	Comment
24 June 2022	1.	S. Morrissey (CEO)	Board	Board approved version migrated for display on SEHC website
25 June 2024	2.	S. Morrissey (CEO)	Board	