

## Debt Management Policy

<b>Location</b>	Operations NSW/ACT
<b>Policy Type</b>	Social and Affordable Housing Policy
<b>Version</b>	3.2
<b>Issue Date</b>	March 2021
<b>National Regulatory Code</b>	Performance Outcome 1- Tenant and Housing Services

### 1. OBJECTIVE

- 1.1. All tenants are required to pay tenant charges to Argyle Housing. These charges may include rent and non-rent, which includes costs such as water usage, tenant damage, removal costs and debt owed from a previous tenancy.
- 1.2. This policy applies to all current and former Argyle Housing tenancies and provides guidance in relation to the debt management service that we provide.

### 2. BACKGROUND AND SCOPE

- 2.1. Argyle Housing promotes and respects the human rights and fundamental freedoms of all persons with a disability and provides a service to tenants in line with the principles of the NSW Disability Inclusion Act 2014, Disability ACT and the United Nations Convention on the Rights of Persons with Disabilities (CRPD).
- 2.2. Argyle Housing supports and encourages a person-centered and culturally sensitive approach to service delivery.
- 2.3. Argyle Housing promotes and respects the rights and freedoms of Aboriginal and Torres Strait Islander peoples.
- 2.4. Argyle Housing manages tenant charges in order to:
  - Ensure that tenants comply with their responsibility to pay charges under the terms of their residential tenancy agreement and the relevant Residential Tenancy Act;
  - Sustain tenancies and communities;
  - Ensure tenants do not leave an Argyle Housing tenancy with a debt and,
  - Ensure that Argyle Housing remains financially sustainable.

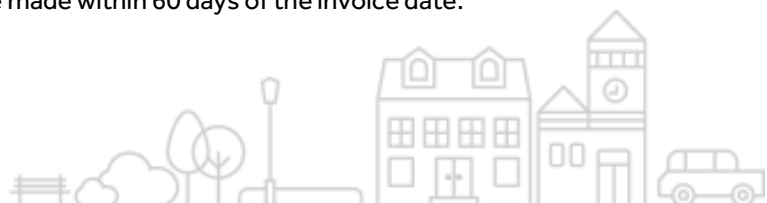
### 3. OUR DEBT MANAGEMENT PRINCIPLES

- 3.1. We will take a fair and consistent approach to managing tenant debt.
- 3.2. We will take an early intervention approach, which is proactive and preventative rather than reactive.
- 3.3. We will always comply with the appropriate Residential Tenancies Act.
- 3.4. We will always refer people to appropriate services such as financial counselling.
- 3.5. Argyle Housing recognises that ending tenancies through eviction always results in additional costs to tenants and their families and to the welfare system more broadly. As such, eviction will always be a last resort for Argyle Housing.

### 4. POLICY DETAIL

#### Debt Management

- 4.1. Tenants have a legal obligation to pay rent and charges as they become due. If a tenant does not make payments, their accounts will fall into arrears. This can result in a breach of the tenancy agreement.
- 4.2. Tenants can pay their rent weekly or fortnightly but at all times rent should be paid no later than the due date, rent must be paid two weeks in advance.
- 4.3. Argyle Housing helps tenants to comply with their responsibilities and not breach their agreement by adopting a proactive and early intervention approach to managing debt by:
  - monitoring tenant accounts weekly
  - contacting tenants immediately they fall into debt and entering into repayment plans at the earliest opportunity
  - encouraging tenants to notify of any changes in income or circumstances that may affect their capacity to pay rent or other charges.
  - paying particular attention to the accounts of tenants who are considered at risk of non-payment or who have fallen into arrears in the past
  - generally taking action through the NSW Civil and Administrative Tribunal (NCAT) or the ACT Civil and Administrative Tribunal (ACAT) if a tenant falls more than 14 days behind in rent
  - being sensitive to the circumstances of each tenant, while reinforcing payment responsibilities
  - maintaining confidentiality and privacy at all times
  - undertaking regular and timely rent reviews
  - providing easy payment options
  - where appropriate refer to community based support services for support and assistance in financial literacy and budgeting.
- 4.4. Argyle Housing will issue tenants with an invoice for any non-rent debt debited against their account. Payment terms on these accounts will be no less than 21 days. If this invoice is not paid in full by the 22<sup>nd</sup> day, Argyle Housing will attempt to conciliate a repayment plan with the tenant and register this with NCAT.
- 4.5. If a conciliation agreement is unable to be made then an application to NCAT/ACAT for a Compensation Order will be made within 60 days of the invoice date.



- 4.6. Argyle Housing will use all appropriate means to recover debt from a current tenant. This can include negotiating payment plans, engaging with tenant advocates, referring tenants to financial counselling or other services, applying to the NCAT/ACAT for a Specific Performance Order, issuing a Notice of Termination, applying to NCAT/ACAT for Orders to end the tenancy.
- 4.7. Payment Plans should wherever possible seek to recover debts <\$1000 within 12 weeks, amounts >\$1000 to be recovered within 26 weeks.
- 4.8. Argyle Housing will only seek to end a tenancy for debt if the tenant has repeatedly failed to keep to repayment plans or orders are made by NCAT/ACAT.
- 4.9. If a tenant fails to vacate the property by the date in a possession order, Argyle Housing will apply for a Warrant of Possession enabling the NSW/ACT Sheriff's Office to lawfully remove the tenant from the property.

#### **Payment methods**

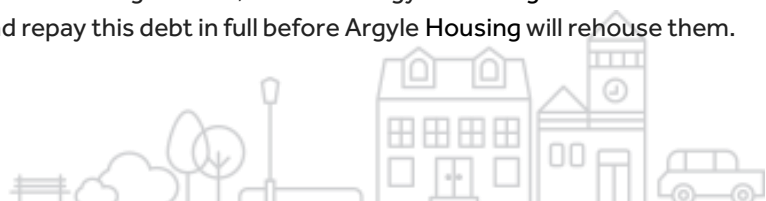
- 4.10. In accordance with the Residential Tenancies Act 2010 (NSW) and the ACT Tenancies Act 1997 (ACT), Argyle Housing provides at least one free method for tenants to make rent payments; the preferred method for payment is via Centrepay deduction.

#### **Rent receipting and Rent Statements**

- 4.11. Argyle Housing sends rent statements to tenants twice a year. A tenant can request an updated rent statement at any time. If a tenant requests a rent statement, Argyle Housing will provide the statement within 7 days of the request.
- 4.12. Argyle Housing is not legally required to send a receipt for payments received.

#### **Former Tenant Debt**

- 4.13. If a tenant vacates an Argyle Housing home owing money, Argyle Housing will take appropriate action to recover the debt.
- 4.14. At the end of a tenancy, Argyle Housing will reconcile all accounts and provide a final statement to the outgoing tenant where a forwarding address or email is provided.
- 4.15. If there remains an outstanding debt, Argyle Housing will firstly use the bond and then, with the tenant's permission, any credit, which exists on other accounts to pay out or reduce the debt.
- 4.16. Argyle Housing will seek to negotiate a realistic repayment plan recognising that the former tenant will have ongoing housing costs and have this registered with NCAT as a conciliated compensation order; or
- 4.17. Argyle Housing will apply to NCAT for an Order of Payment of Monies Owing within 90 days of the end of tenancy, and request a certified copy of the Money Order.
- 4.18. Argyle Housing may also refer the account for recovery to a Mercantile Agent at any stage following the end of Tenancy to seek recovery of these debts. Specifically this relates to debts greater than \$5,000
- 4.19. Notwithstanding current Social Housing Policies, all former Argyle Housing tenants are required to acknowledge and repay this debt in full before Argyle Housing will rehouse them.



If a tenant believes Argyle Housing has made a wrong decision, they can ask for a formal review of the decision. To do this, they can complete an Appeals Form stating why they disagree with the decision. An appeal can be lodged by completing the 'I Want to Appeal Form' found on the Argyle Housing website [www.argylehousing.com.au](http://www.argylehousing.com.au) or available from any Argyle Housing office. The form, or a letter, can be emailed, posted or delivered in person to any Argyle Housing office or submitted online via the Argyle Housing website.

If the appellant remains unsatisfied with the outcome of the first appeal they can appeal to the Housing Appeals Committee (HAC) which is an independent appeals body specifically set up to consider appeals made by social housing tenants in NSW. An appellant can access HAC by calling free call 1800 629 794 or can get more information from their Tenancy Officer.

Matters that the NSW Civil and Administrative Tribunal (NCAT) or the ACT Civil and Administrative Tribunal (ACAT) can resolve are not able to be appealed. For example, if Argyle Housing issues a Notice of Termination for breaches of the tenancy agreement.

See Argyle Housings Appeal Policy for further information.

## 6. RELATED POLICIES AND DOCUMENTS

- 6.1. Delegation of Authority Schedule
- 6.2. Argyle Housing Procedures
- 6.3. Argyle Appeal Policy
- 6.4. Policy Definitions Policy Appeals Policy
- 6.5. Rent and Rebates Policy
- 6.6. Ainslie Village Eviction Policy
- 6.7. Residential Tenancies Act 2010 (NSW) and Residential Tenancies Act 1997(ACT)
- 6.8. Property-specific Complaints Policies, Procedures and Tools.
- 6.9. National Community Housing Standards Reference - 1.2 Establishing and maintaining tenancies

### Version Control

Version No	Date	Author	Position	Next Review Date
1.0	27/01/2014	D. Skelton	GM BD&R	26/01/2015
2.0	20/05/2015	M. Ward	Operations Manager NSW	19/05/2016
2.1	01/05/2016	M. Ward	GM Operations	01/05/2017
2.2	01/05/2017	C. Medcalf	GM Operations	01/05/2018
3.0	18/12/2017	M. Reader	GM Operations	04/11/2018
3.1	24/12/2018	C. Doherty	Housing Services Manager	30/12/2019
3.2	13/01/2021	C. Doherty	Housing Services Manager	13/01/2023

