

RENT ARREARS POLICY

Providing affordable accommodation for low income and disadvantaged single people

The purpose of a rent arrears policy is to enable tenants to maintain their accommodation in the longer term whilst ensuring that SCH is not exposed to undue financial risk through non-payment of rents.

Policy Statement

A consistent rent arrears policy and procedure is crucial in assisting tenants maintain stable tenancies. Under the Residential Tenancies Act, tenants who are 7 days or more behind in their rent can be given a Notice To Vacate. This policy clarifies the processes that are to be adhered to when tenants get behind in their rent. SCH has a legal and moral responsibility to manage the organisation in the best interests of the community it serves. That includes ensuring that SCH is financially viable. SCH expects all tenants to pay their rent 7 days in advance.

Procedure

SCH staff meets every Monday morning to discuss rent arrears. An arrears report is printed highlighting all tenants who are 7 days or more in arrears. Residents are discussed individually and actions agreed. A purpose of meeting weekly is to become aware of tenants who may be experiencing difficulties as soon as possible and take remedial action to ensure that tenants do not drift into high levels of indebtedness.

The following procedure is to be adhered to:

- Any tenants who are 7 days in arrears with their rent will be issued with a note and a copy of the ledger reminding them that their rent is due and the legal consequences of not paying their rent. Following discussions at the weekly meetings, the relevant Housing Manager may enter into an arrears agreement with the tenant.

- Those tenants who remain 7 days in arrears following this are to be issued with a Breach of Duty notice and requested that they pay their arrears immediately.
- Tenants who are 14 days in arrears are to be issued with a Notice to Vacate (NTV).
- Those tenants who, after receiving the NTV, remain in arrears for 21 days will be subject to an Application to VCAT for a possession order.
- At all times, tenants are to be informed that if they pay their arrears and their rent on time SCH will not purchase the warrant.
- Tenants who still refuse to pay their rents will have a warrant of possession served upon them and will be evicted.
- Former tenants who wish to return to a tenancy with SCH must enter into an agreement to pay off any arrears prior to resuming a tenancy. See *Tenancy Management Policy*.

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