

Revised May 2021

SUNSHINE/ST. ALBANS RENTAL HOUSING CO-OPERATIVE LTD

RENT ARREARS MANAGEMENT – Policy and Procedures

Rental revenue is Sunshine/St. Albans only source of income. In order for the Co-operative to remain financially viable and continue to provide housing services it is very important that rents are paid on time and kept up to date.

Unpaid rents impact on the Co-operatives ability to deliver essential housing services (i.e. property maintenance).

SUNRHC recognises that there must be a balance between supporting members in financial difficulty and the financial viability of the Co-operative and therefore we adopt an early intervention approach to mitigate arrears risk.

SUNRHC's rental arrears policy and procedures aim to:

- 1) Assist renters to sustain their tenancy by:
 - Preventing and reducing rental arrears
 - Ensuring debts are fully paid
- 2) Ensure that rent revenue is collected to ensure the ongoing financial viability of the Co-operative
- 3) Recover possession of the property via a VCAT order where arrears are not dealt with by the renter and are excessive.

The purpose of this policy is to:

- Provide a clear framework for the management and collection of rent
- Minimise the risk of terminations resulting from unpaid arrears and debts, assist renters to sustain their tenancy and prevent homelessness
- Ensure the financial sustainability of SUNRHC through the collection of all monies that are due.

On establishing a tenancy each Co-operative renter member is issued a bank deposit book that has a unique identifier number.

Renter members may pay rent via the following methods:

- Bank deposit (via bank deposit book)
- Centrelink Centrepay (members are strongly encouraged to use this method if they receive a Centrelink benefit)
- Direct Debit
- Electronic Funds Transfer (EFT)

Renter members are legally responsible for paying rent in accordance with their Residential Rental Agreement.

Regular Rent Statements are sent out to all renters and more frequently to renters who start to fall into arrears. Advice re being in arrears is noted on statements in such cases. If no action is taken by the renter, then either a staff member or a member of the Rent Arrears Committee will attempt to make contact with the renter to arrange a payment agreement. The Board may also direct the Rent Arrears Committee to arrange to meet with the Renter.

Staff will monitor repayment agreements to ensure they are being adhered to and that rent arrears are being reduced. Staff may also advise renters with problem arrears re other local support agencies who may be able to assist (e.g. Salvation Army Social Housing Services – SASHS).

Regular reports on the Co-operative's arrears are given to the Board. The Board will decide if a Notice to Vacate is to be issued.

Where a NTV is issued a subsequent application for a VCAT hearing will be made. More detail re Notices to Vacate and VCAT are outlined in the Co-operative's Ending Tenancies (including Evictions) Policy