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To be Reviewed: March 2028

Jubilee Housing Inc

Rent Arrears Policy

1. Purpose

The Residential Tenancies Act requires renters to ensure that their rent is paid in full when due. If a renter fails to make the required rent payments, the Act allows a rental provider to issue a 14-day Notice to Vacate to the renter and to seek possession of the property at VCAT.

Jubilee Housing Inc. aims to foster sustainable tenancies and in the first instance, will respond to rent arrears in ways that reduce the potential need for an eviction to occur.

Where a renter does not act to remedy rent arrears, or has repeatedly fallen into arrears and/or breached other requirements of their rental Agreement, further action will be taken in order to maintain the sustainability of Jubilee Housing inc.

This policy outlines how Jubilee Housing will respond if rent falls into arrears in order to:

a) ensure that rent arrears are managed in a fair and consistent manner.
b) ensure that processes to manage rent arrears helps to sustain tenancies and protect the viability of Jubilee Housing inc.

2. Scope

This policy applies to all rent owed to Jubilee Housing Inc. from current or previous renters.

3. Communication

Jubilee Housing Inc. will ensure this policy is readily available to all applicants, residents, staff and committee members. It will be issued to all renters whose rent falls into arrears and be publicly available on the Jubilee Housing website.

4. Guiding Principles

Jubilee Housing will establish and manage rent processes in order to prevent rent from falling into arrears and/or minimise any rent arrears that might occur. In responding to rent arrears, Jubilee Housing will aim to protect the renter from further debt and to sustain the tenancy, wherever possible. Eviction for rent arrears will only occur when there have been repeated or multiple breaches of a Rental Agreement or when attempts to resolve the arrears have not been successful.

When managing rent processes and responding to Rent Arrears, Jubilee Housing will ensure that:

- Renters are offered a range of simple rent payment options.
- Regular information is issued to renters about their rent account, or at any time if requested.
- Timely reminders are issued if rent is not fully received on time.
- Renters in arrears are offered help to find appropriate support services.
- Renters are encouraged to propose repayment plans, preferring not to exceed 12 months duration, whenever rent payments fall behind.
- A clear process and timeline is followed, allowing renters an opportunity to enter a repayment agreement before escalating further.

5. Rent Management and Arrears Procedures

5.1 To assist renters to minimise rental arrears, JHI will:

- Offer a variety of rent payment methods; including direct payment in person at our bank, via automatic bank transfer, and via Centrelink direct payment services.
- Monitor rent accounts on a weekly basis.
- Issue timely reminders via SMS, phone or email if a rent payment appears to have been missed or too little is paid.
- Issue six monthly rent statements via email or post so that renters can be aware of their rent account balance, or when requested.

5.2 If rent falls into arrears: JHI will:

Consistent steps and timeframes will be followed in order to assist renters to clear the debt as soon as possible:

- **Within 7 days:** JHI will send an informal reminder seeking a catch-up payment within the next fortnight.
- **After 7 days** *(or if a renter is unable to pay the rent as requested in the informal reminder)* JHI will seek an internal Repayment Agreement with the renter.
- **After 14 days:** *(if a renter has not responded to earlier contacts or fails to make agreed repayments).* JHI will issue formal advice that a Notice to Vacate will be issued unless a written Repayment Agreement can be established (or re-established) within the next 7 days.
- **After 21 days** (*If no prior resolution has been reached*, *or if the renter fails to make agreed payments at any later date).* A Notice to Vacate will be issued. If no repayment plan has been agreed, a VCAT application will be initiated. If a repayment plan is agreed, it will be lodged with VCAT as a Ratified Repayment plan.

With an understanding to the nature of this industry, exceptional circumstances may occur. Outcomes that deviate from the above, are to be determined by the Committee of Management.

5.3 If the renter breaches or fails to follow the repayment plan:

If the renter fails to meet the Ratified Repayment Plan by VCAT, and is in arrears more than 14 days, JHI will make an application seeking vacant procession.

5.4 Offers of Assistance:

At each point in the Arrears Response process, JHI will offer, upon request, to help the renter to find services that may assist them, such as:

- Financial counselling.
- Organisations offering grants/financial assistance that the renter may be eligible for.
- Support to address other personal issues impacting on their tenancy.
- Legal advice.
- Crisis housing responses (if JHI gains possession of the property).

5.5 Repeated Arrears:

- Once repaid, rent arrears will make no further impact on the renter's tenancy or relationship with JHI, unless;
- Where arrears fall more than 14 days into arrears more than 4 times in a 12-month period JHI may Issue a Notice to Vacate under the "Five Strikes System", regardless of whether arrears owed have been repaid.

5.6 JHI Informed of End of a Tenancy:

On receiving advice that the renter is planning to vacate, JHI will advise of the amount owing, seeking payment in full prior to the vacate date, or a repayment plan.

5.7 Arrears Owed at the End of a Tenancy:

- **Within 7 days:** JHI will advise the amount owing, offering to establish a written Repayment Agreement.
- **After 14 days:** *(if a renter has not responded to earlier contacts or fails to make agreed repayments).* JHI may issue initiate action through VCAT seeking a payment order unless a written Repayment Agreement can be established (or re-established) within the next 7 days. The letter will also warn that the payment order received will be lodged with the Magistrates Court so that action can be taken by a debt collector and a permanent record made on their credit history.

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6. Related policies

Rent Policy
Hardship Policy

7. Legislation and standards

This policy implements Jubilee Housing Inc's obligations under:

- Residential Tenancies Act 1997.

And aligns with the Community Housing industry expectations under:

- Housing Act 1983 (Vic).
- Charter of Human Rights and Responsibilities Act 2006 (Vic)
- Peak industry body for the Australian Community Housing industry, CHIA.