

Establishing and maintaining tenancies

Arrears management policy

Policy section: 1.0

Policy: 1.2.6

Section name: Establishing and maintaining tenancies

Document name	Arrears management
Applicability	Mission Australia Housing
Authorisation	Senior Management Team
Policy date	October 2015
Document version	Version 3
Policy owner	National Operations Manager
Review date	October 2018

1 Purpose

- 1.1 To provide guidance on the Mission Australia Housing (MAH) **rent arrears** management processes.
- 1.2 To minimise risk of terminations resulting from unpaid tenant rent and other bills associated with a tenancy whilst maintaining the financial viability of MAH.

2 Related policies

- 2.1 This policy is to be read in conjunction with the:
 - 2.1.1 Rent and Rebate Policy, which outlines requirements for staff who assess the income and assets of tenants and their household in order to set their rent, as well as responsibilities of tenants with regard to income assessment and payment of rent.
 - 2.1.2 Referrals to Agencies Policy, which details the approach taken by MAH in assisting applicants and tenants with specific needs or tenancy management issues to establish connections to support services.
 - 2.1.3 Debt Management Policy, which details the processes undertaken by MAH for managing non-rent arrears debts such as property damage.

3 Scope

3.1 This policy applies to staff responsible for managing tenants and properties of MAH.

4 Guiding principles

4.1 Tenants are informed of their responsibility to pay rent in advance and are supported to avoid arrears wherever possible.

4.2 Early intervention assists tenants to manage arrears and mitigate associated risks to their tenancy.

4.3 Tenants are provided with support and tools in order to assist them to manage their tenancy and their financial obligations to MAH.

4.4 Tenants are given opportunities to appeal organisational decisions in order to ensure fair and transparent outcomes.

5 Policy

5.1 Staff will inform tenants of their responsibility to pay rent in advance wherever new tenancies commence and throughout tenancies, in order to encourage tenants to comply with their lease or rooming accommodation agreement.

5.2 Tenants will be in breach of their agreement where they fail to pay rent due to MAH and staff will be required to take action under residential tenancy and rooming accommodation legislation.

5.3 Staff will work with tenants as soon as evidence of arrears is identified in order to ensure repayments do not become unmanageable for them.

5.4 Where appropriate, staff will assist tenants to connect with services that may help them to manage their financial obligations to MAH as per the [Referral to Agencies Policy](#).

5.5 Tenants may be required to enter into a payment plan where they owe arrears or experience difficulty rectifying their arrears.

5.6 Staff will pursue a range of options, including but not limited to civil proceedings, to recover costs where tenants refuse to rectify arrears or vacate their property without paying their arrears.

5.7 Staff will inform tenants of their right to complain about services of MAH and/or appeal organisational decisions as per the [Appeals and Complaints Policy](#).

5.8 Staff will store all correspondence to tenants relating to rental arrears in the tenancy management system.

6 Definitions

Rent arrears: debt resulting from non-payment of an agreed rental amount. Staff should refer to the Debt Management Policy where they are required to manage debt resulting from other causes, such as property damage caused by a tenant.