

## HOT25: Hardship Policy

### Purpose

The purpose of this policy is to provide clear guidance on how YWCA Australia's housing subsidiaries are to respond to requests for reduced rent due to hardship.

This policy enables YWCA's housing subsidiaries to meet the following regulatory standards:

- The registered agency has policies and procedures which strive to sustain tenancies.
- The registered agency has policies and strategies to deal with tenants in financial difficulties and with arrears of rent.
- The registered agency establishes and maintains arrangements that are adequate to ensure tenants and residents with support needs receive appropriate support, if relevant and where available, to maintain their tenancies.

### Scope

This policy applies to all YWCA staff involved in tenancy management.

The policy applies to both tenancy agreements and rooming house agreements. Unless stated otherwise, references to "tenants" include rooming house residents and references to "tenancies" include rooming house residencies.

### Definitions

**Hardship** occurs when a tenant or household member experiences an unexpected change in their financial circumstances and as a result is unable to pay their rent without affecting their ability to meet basic living needs.

The change in financial circumstances may be due to a range of causes, such as:

- loss of work or reduction in hours;
- spousal separation or divorce;
- unavoidable and significant new (or increased) expenses, e.g. medications or hire of medical or orthotic equipment.

### Policy Statement

YWCA's Rent Management Policy says:

*YWCA housing [subsidiaries] will provide a flexible rental payment system that is designed to maximize the ability of the resident to maintain a successful tenancy. Residents will be*

*offered choice in payment methods and these choices will be Hardship Policy, v1 (April 2019) Page 2 of 3 Printed or downloaded copies of this document are uncontrolled. offered at the initial interview, at sign up and at any time where the resident may be facing rental payment difficulties.*

In circumstances where a tenant is experiencing financial hardship, YWCA will approach the situation with sensitivity and seek to charge a fair and affordable rent in order to sustain the tenancy.

YWCA will consider a written request from the tenant for a reduction in rent, or a Community Housing Officer (CHO) may initiate the process themselves on becoming aware of the tenant's circumstances, e.g. during a property inspection.

The CHO will in the first instance discuss with the tenant the suitability of referral to a financial counselling service or other support service. If the tenant agrees, the CHO will arrange the referral.

The tenant must provide adequate documentation showing the nature of the hardship, when it began and (if not ongoing) the expected duration. The application must demonstrate genuine and unavoidable hardship that leaves the tenant having to choose between paying their rent or doing without basic living needs.

The CHO will assess the application and prepare a recommendation to the National Housing Operations Manager. If approved, YWCA will calculate the tenant's rent based on their current (reduced) income or, if their hardship is due to unavoidable new expenses, their net income once those specific expenses are deducted from their usual assessable income. However, the reduced rent will not be reduced to less than 25% of the tenant's previous rent.

On approval by the National Housing Operations Manager, the reduced rent may be backdated to the documented commencement of the hardship.

The CHO will inform the tenant of the outcome in writing, including (if approved) the commencement and duration of the reduced rent period or whether the reduced rent is ongoing. If the reduced rent will not be ongoing, the CHO will record the end date in Chintaro and diarise the date for a reminder letter to the tenant prior to the rent reduction period expiring.

## Responsibilities

YWCA's National Housing Operations Manager has responsibility for ensuring that:

- this policy is implemented and its application monitored,
- the policy continues to comply with relevant legislation, and
- this policy is reviewed to evaluate its ongoing effectiveness.

## Appendices

N/A

## Related Information

Legislation      Residential Tenancies Act 1997 (Vic)

Standards Housing Registrar (Vic): Performance Standards

Standards NRSCH: Evidence Guidelines

<b>Document Control Data</b>	
<b>Hardship Policy</b>	
<b>Responsible Officer</b>	Director, National Housing
<b>Accountable Officer</b>	National Housing Operations Manager
<b>Application</b>	YWCA staff involved in tenancy management
<b>Supersedes</b>	[Not applicable: new policy]

<b>Approval and Amendment history</b>			
Review period – 2 years			
<b>Approval Date</b>	<b>Version</b>	<b>Amendments</b>	<b>Next review</b>
	1.0		[2 years]