H060 Renter Debts Policy

1. **Purpose**

The purpose of this policy is to provide clear guidance on how YWCA Australia and housing subsidiaries (YWCA) are to manage situations where there is an outstanding debt owed to YWCA by a current or former YWCA renter.

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

* *The registered agency has developed policies about fair and equitable access and allocation of housing and strategies responsive to local needs to implement its policies.*
* *The registered agency’s access and allocations policy is sensitive to clients with complex needs and low incomes and, to the extent permitted by other performance standards, ensures allocation of tenancies to this client group.*
* *The registered agency has policies and procedures which strive to sustain tenancies.*
* *The registered agency establishes and maintains arrangements that are adequate to ensure renters and residents with support needs receive appropriate support, if relevant and where available, to maintain their tenancies.*

1. **Scope**

This policy applies to all YWCA staff, contractors and volunteers involved in tenancy management (Employees).

The policy applies to both residential rental agreements and rooming house agreements. Unless stated otherwise, references to “renters” include rooming house residents and references to “tenancies” include rooming house residencies.

This policy does not apply to debts (such as current rent arrears) that YWCA can seek to recover under residential tenancies legislation – see YWCA’s **Rent Management Policy**.

1. **Definitions**

An ***outstanding renter debt*** is a monetary debt owed to YWCA by a current or former YWCA renter and for which:

* there is no current repayment agreement (or the current repayment agreement is not being met), and
* YWCA does not intend (or is unable) to take further legal action to recover the debt.

1. **Policy Statement**

YWCA seeks to balance two principles in managing outstanding renter debt:

* To the greatest extent possible, allocation of housing should favour those with greatest need, and every effort should be made to sustain each tenancy; and
* Taking reasonable steps to recover outstanding renter debt ensures fairness to all other renters.

YWCA maintains records of outstanding monies owed by renters, such as rental arrears and damage costs. A debt is recorded on the renter file if there are rent arrears or other debts when the tenancy ends and there’s no bond or the bond does not cover the outstanding monies owed.

If a person with an outstanding renter debt from a previous YWCA tenancy applies for housing, they must pay the debt in full before they can be allocated housing. The same policy applies to existing YWCA renters with outstanding renter debt who are seeking an internal transfer or mutual swap.

In all cases, the National Housing Operations Manager may approve allocation of housing in exceptional circumstances if the applicant has entered into a repayment agreement for their outstanding renter debt.

**Bankruptcy**

Any debts incurred prior to the date a renter is declared bankrupt are not recoverable, but debts accrued after that date must be paid.

The renter or applicant with an outstanding renter debt must provide documentation confirming they have been declared bankrupt, such as:

* notification from the Receiver’s Office;
* legal notice to creditors;
* legal statement of affairs;
* certificate of discharge.

**Hardship**

In situations where the application of this policy would result in financial hardship to the renter or applicant (as per the definition of hardship in YWCA’s **Hardship Policy**), the principles and provisions of the Hardship Policy will take precedence.

In all circumstances where a renter or applicant is having difficulty in managing their financial obligations, YWCA will refer the person to an appropriate support service.

1. **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.

1. **Appendices**

N/A

1. **Related Information**

Legislation [Residential Tenancies Act 1997 (Vic)](http://www.austlii.edu.au/cgi-bin/viewdoc/au/legis/vic/consol_act/rta1997207/)

Standards [Housing Registrar (Vic): Performance Standards](http://www.housingregistrar.vic.gov.au/files/assets/public/publications/performance-standards-and-evidence-guidelines/current-performance-standards.pdf)

Standards [NRSCH: Evidence Guidelines](http://www.nrsch.gov.au/publications/nrsch-operational-guidelines/evidence-guidelines)

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| Document Control Data | |
| Policy Framework | |
| Responsible Body | Director, National Housing |
| Accountable Officer | National Housing Operations Manager |
| Transparency and Accessibility | This policy will be available on the website *https://www.ywcahousing.org.au/policies/* |
| Supersedes | N/A New policy |
| Application | YWCA Employees involved in tenancy management |
| Legislation | Housing Act 1983 (VIC)  Residential Tenancies Act (VIC)  Performance Standards for Registered Housing Agencies  Charter of Human Rights and Responsibilities  Performance Standards for Registered Housing Agencies  Legal agreements between YWCA and the Director of Housing |

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| Review period – 2 years | | | |
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| 12/01/2021 | 1.0 |  | 2 years |
| 29/03/2021 | 1.1 | Rental Reforms | 2 years |