

## PURPOSE

This document defines the Company's policy on tenancy charges including rent and non-rent debts.

All Tenants living in property owned or managed by the Company are required to pay tenancy charges. Tenancy charges include rent and non-rent debts - including any combined former debt. The Company will establish a separate account for rent and non-rent accounts, as charges become due the Company will add the charge to the relevant account. The Tenant is required to meet their obligations to pay those charges as they become due.

When a Tenant moves out of their property, all rent or non-rent debt including Tenant charge maintenance items remaining are known as ex-Tenant account debt.

<b>POLICY REFERENCE</b>	HS016
<b>POLICY OWNER</b>	Group General Manager Resident Services
<b>APPROVED BY</b>	Group Executive Team
<b>APPROVAL DATE</b>	August 2025
<b>REVIEW DATE</b>	August 2028

## 1. SCOPE

This Policy applies to Tenants and former Tenants of property owned or managed by Evolve Housing Limited and its controlled entities described in clause 3 of this policy (referred to as the Company). The Company will treat debt recovery with sensitivity and have an emphasis on privacy whilst recognising the capacity of the individuals to meet their commitments.

The impact upon an organisation such as Evolve to function as a social housing provider is dependent upon not carrying debt. Tenants are required to pay rent in advance, in accordance with their Residential Tenancy Agreement.

The Company understands there are competing demands upon families to meet their commitments; however, the payment of rent and non-rent charges should be considered a priority.

## 2. POLICY STATEMENT

The Company is committed to maintaining its function as a social housing provider.

The Company may apply and recover tenancy related charges in accordance with the provisions of the Residential Tenancies Act 2010 and the Housing Act 2001.

Tenants have a legal obligation to pay their tenancy charges as they become due. If Tenants do not make payments their accounts will fall into arrears; this will result in a breach of their tenancy agreement.

Tenants must notify the Company immediately if they are unable to make payments. The Company will work with Tenants to ensure they meet their obligations to pay their tenancy charges however the Company will take appropriate legal action when there are major or persistent arrears.

Former Tenants must pay all money owing on ex Tenant accounts. The Company will take action through the NSW Civil & Administrative Tribunal (NCAT) to recover monies owing or pursue legal action if former Tenants do not make repayments.

## **2.1 Advising current Tenants of arrears on their tenancy accounts**

The Company may contact Tenants in writing, by phone, SMS, or by visiting them in their homes if their accounts fall into arrears. The Company will act quickly to help ensure the Tenant pays their tenancy charges on time and to help prevent the debt from escalating.

## **2.2 Managing current accounts in arrears**

The Company reserves its right to issue a Notice of Termination in accordance with the Residential Tenancies Act 2010, if there have been breaches of the Residential Tenancy Agreement.

The Company expects all outstanding debts to be repaid as soon as possible and will seek all monies in full in the first instance.

Where a Tenant claims financial hardship or other difficulties that may affect their ability to pay in full, the Company may accept a repayment arrangement which will require Tenants to supply evidence of their financial position. The Company may also refer a Tenant to various financial and other support services to assist in managing their arrears.

If the Company is unable to negotiate a reasonable repayment arrangement, it will escalate the arrears recovery process. Depending upon the circumstances, the Company may apply to NCAT for a Specific Performance Order to repay debt or for an order to terminate the tenancy.

Before making an application to NCAT, the Company will attempt to work with the Tenant to try to resolve any problem relating to their non-payment of monies owing to the Company.

The Company may consider the following:

- The Tenant's payment patterns;
- The amount of time the Tenant has been in arrears and the amount of arrears;
- The reason for the Tenant being in arrears;
- The Tenant's ability and willingness to repay the arrears;
- Possible involvement of support services;
- Previous arrears patterns, including the steps that have been taken to resolve the problem.

The Company may then consider whether to:

- Negotiate a repayment arrangement;
- Issue a Notice of Termination (NOT);
- Apply to NCAT for a Specific Performance Order (SPO);
- Apply to NCAT for an Order of Termination and Possession.

## **2.3 Specific Performance Order (SPO)**

An SPO may set out the method and amount of payment required to clear the debt within a reasonable period.

Should the Tenant breach the terms of the SPO, the Company will either ask for the debt to be repaid in full, or return to NCAT and seek an Order of Termination and Possession.

## **2.4 Order of Termination and Possession**

An Order of Termination and Possession is an order granted by NCAT which legally ends the tenancy on a certain date. An Order of Termination and Possession sets a date by which the

Tenant must vacate. If a Tenant fails to vacate the property by the date in the possession order, the Company will apply to NCAT for a Warrant of Possession which authorises the NSW Sheriff's Office to evict the Tenant.

## **2.5 Managing ex-Tenant rent and non-rent accounts**

When a Tenant moves out of a Company property, all charges and payments relating to the property will be reconciled. This may result in an amount remaining as a credit or debit. To manage any refund or debt notices it is important the Tenant provides the Company with a forwarding mail or email address.

## **2.6 Tenants who vacate and are no longer being housed by the Company**

The Company may automatically transfer balances between the Tenant's accounts if the Tenant has left the property and will no longer be housed by the Company.

If there is a credit balance on one account and a debit balance in another the Company will use the credit to pay off the debit.

The Company will advise the former Tenant in writing of their final accounts including whether any amount has been transferred between accounts and the reasons for the transfer.

### **2.6.1 Credit balances if whereabouts known**

The Company will refund any credit amount if the whereabouts of the former Tenant is known, following reconciliation of all accounts.

The Company will refund credits where an account is in credit, or an extra deduction has been made from the Tenants Centrelink payment after they have left the property or where the Tenant's financial institution has deducted an additional amount by direct debit after the Tenant has left the property.

If a former Tenant is deceased, the Company will refund any credit to the Executor of the former Tenant's estate.

### **2.6.2 Debit balances if whereabouts known**

The Company will waive debit balances where the Tenant is deceased, or the former Tenant is declared bankrupt. The debt in this instance will be waived up to the date of the bankruptcy.

If a former Tenant does not repay the debt in full, the Company will apply to NCAT for an order of payment of monies owing.

When the whereabouts of the ex-Tenant is known, the Company may take recovery action either through a Letter of Demand or a mercantile agent.

If a joint tenancy account is in debit, all the former Tenants are liable for the debt. If one of the former Tenants reapplies for assistance, they will have to arrange to repay all money owing.

## **2.7 Tenants who vacate and are going to another social housing property**

Where a Tenant will be housed in another Company property, the Company will transfer any credit balance on a current account to pay a debt on a previous account.

### 2.7.1 Credit balances

Tenants will be encouraged to transfer a credit balance to their new account so that this tenancy commences with a credit balance.

### 2.7.2 Debit balances

The Company will not transfer a Tenant if they have a debit balance at their current property.

In exceptional circumstances if a Tenant is being transferred to another property under 'At Risk' or 'Management' reasons the Executive Manager may approve a repayment arrangement which may include a lump sum payment.

In line with Section 140 of the Residential Tenancies Act 2010 a Tenant who has an outstanding debt from a former tenancy must make a reasonable arrangement to repay the debt and continue making repayments, or the Company may take action against their new tenancy through the NSW Civil & Administrative Tribunal (NCAT).

## 2.8 Further Information

When making decisions about managing accounts, the Company will consider various information and evidence. If a Tenant disagrees with a decision the Company has made, they should first discuss their concerns with a Housing Manager.

The next step if they still believe the Company has made an incorrect decision is to lodge a formal appeal of the decision.

For information on how an appeal works the Tenant can ask a Housing Manager for a copy of the Appeals Fact Sheet or obtain a copy of the Company Appeals Policy.

The Tenant cannot ask for a formal review if rental arrears result in NCAT proceedings. In these cases, NCAT, which is an independent body, will hear the matter. The role of NCAT is to resolve disputes between Tenants and Landlords.

The Company can be contacted at:

Evolve Housing  
Henry Dodd House,  
9-13 Argyle Street  
Parramatta NSW 2150  
[www.evolvehousing.com.au](http://www.evolvehousing.com.au)  
' 1800 693 865

### 3. APPLICABILITY

This policy applies to :

Company
Evolve Housing Limited
Evolve Arncliffe Limited
Evolve Blacktown Limited
Evolve Penrith Limited
Evolve Melrose Park Limited
Evolve Merrylands Limited
Evolve Granville Limited
Evolve Edgecliff Limited
Evolve Carinya Limited

### 4. DEFINITIONS

- **NCAT** - NSW Civil & Administrative Tribunal
- **Residential Tenancy Agreement** – a written agreement between a tenant and the Company (as property manager) which governs the terms on which the tenant occupies the property
- **Tenant** – a person who signs the Residential Tenancy Agreement with the Company

### 5. RELATED RESOURCES

- Evolve Housing Appeals Policy
- Evolve Housing Transfer Policy
- Residential Tenancies Act 2010 (NSW)
- Housing Act 2001 (NSW)

*This Policy is subject to change from time to time at the discretion of the Company. Further information on this Policy and other topics, is available on the Evolve Housing website [www.evolvehousing.com.au](http://www.evolvehousing.com.au). If you have any specific questions regarding this Policy, please contact Evolve Housing on 1800 693 865 or email your enquiry to [myevolve@evolvehousing.com.au](mailto:myevolve@evolvehousing.com.au).*

## 6. VERSION CONTROL

Date Reviewed	Policy Reviewer	Key Changes
1/08/2017		Policy adopted
31/10/2022	Raylee Golding, GM GAL/ Co Sec	Application of policy extended to controlled entities
12/08/2025	Greg Locke EMSH	Application of policy extended to controlled entities/reviewed