

POLICY NUMBER: 8.5  
VERSION NUMBER: 1.1  
EFFECTIVE DATE: 1 August 2019  
AUTHORISED BY: BAH Management

## **HARDSHIP POLICY**

### **1. PURPOSE**

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The purpose of this policy is to ensure rents are managed by Baptcare Affordable Housing (BAH) in a pro-active and responsive manner in order to minimise rental arrears and ensure ongoing sustainable tenancies.

### **2. SCOPE**

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This policy applies to all tenancies in properties owned and/or managed by BAH.

### **3. PRINCIPLES**

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BAH is reliant upon the cash flow created by the rental income from its properties. Failure to recover rents has an impact upon our ability to meet financial commitments as well as our ability to preserve, maintain and expand the supply of affordable housing to low income and disadvantaged Victorians.

BAH will make every effort to prevent rental debt from occurring in the first instance and to effectively recoup outstanding rent arrears and rectify unsustainable tenancy arrangements in accordance with the provisions of the Residential Tenancies Act 1997.

To achieve this, BAH takes the following approach:

- All tenants are informed of their eligibility for benefits, including Commonwealth Rent Assistance at the commencement of their tenancy and when their circumstances change
- BAH will identify rent arrears as soon as they occur and make contact with the tenant to address the arrears, including entering into any repayment agreements
- BAH will ensure that tenant human rights are considered in line with the Charter of Human Rights and Responsibilities 2006
- Where required, BAH will assist tenants with referrals to organisations who can assist with budgeting and one-off rent payments
- Tenants are encouraged to contact BAH immediately they are experiencing difficulties paying their rent
- Tenants are encouraged to enter into rent arrears agreements

- When a tenant does not engage with BAH staff about their rent arrears, appropriate action may be taken in accordance with the provisions of the Residential Tenancies Act 1997, including the issuing of a Notice to Vacate
- Eviction as a consequence of rent arrears will only occur as a last resort when all other avenues have been exhausted and only with the approval of the CEO.

#### 4. FINANCIAL HARDSHIP

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Financial hardship can occur for a number of reasons including:

- Loss, or a reduction of, the primary income
- Separation, divorce or the death of a tenant
- Any other significant or unexpected financial circumstances.

Where the household income has been reduced, tenants can apply to have their rent re-assessed and adjusted accordingly. This adjustment will be backdated to the time at which the income changes occurred.

Where a tenant's circumstances are such that repayment of their arrears adversely affects their capacity to purchase food or pay their utilities then a Discretionary Arrears Write-Off can be agreed by the CEO.

#### 5. RELATED DOCUMENTS, STANDARDS AND LEGISLATION

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BAH Ending Tenancies Policy  
Residential Tenancies Act 1997 (Vic)  
Housing Act 1983 (Vic)  
Victorian Housing Registrar Performance Standards  
Charter of Human Rights and Responsibilities 2006 (Vic)

#### 6. MONITORING AND REVIEW

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This policy will be reviewed every two years or earlier if the legal, regulatory and contractual environment requires.

#### 7. TRANSPARENCY AND ACCESSIBILITY

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This policy will be available on the BAH website: [www.baptcare.org.au/services/housing/affordable-housing](http://www.baptcare.org.au/services/housing/affordable-housing)