Rent – Calculation, Payment and Arrears Management

Coodjingburra H.O.M.E
Helping Our Mob Everywhere

1. Purpose

To ensure fair and transparent tenant selection and tenancy management processes, where:

- Tenants have a clear understanding of their rights and responsibilities
- Tenants can achieve long-term sustainable tenancies
- The changing needs of tenants are met and the financial resources (particularly rents and non-rent debts) of the company are managed effectively.

2. Scope

This policy covers all tenancy managed through the social housing program including transitional housing.

3. Guidelines

3.1 Rental Calculations

Rental calculations are based on the Aboriginal Housing Office NSW Aboriginal Community Housing Rent Policy. A printed copy will be provided to tenants and applicants upon request. A tenant fact sheet will be provided in new tenancy welcome packs.

In line with the above policy, Coodjingburra HOME will calculate a tenant's rent as a percentage of:

- Household income (25%-30%)
- Commonwealth Rent Assistance (CRA)
- 15% of Family Tax Benefit.

Rent payable will the lower of this amount or the market rent for the property.

Note that Market rent is the maximum amount of that can be charged for a property and this is set using the quarterly Rent and Sale Report published by the Department of Communities and Justice.

3.2 Rent Payments

Two weeks rent in advance must be paid at the time the Residential Tenancy Agreement is signed (or the tenancy commences). Tenants must continue to pay rent fortnightly in advance.

Payment methods:

- Direct deposit into Coodjingburra HOME bank account - either by depositing money at any Bendigo bank (or authorised Bendigo banking agent) or by Netbank direct debit transfers to the Coodjingburra HOME account, or
- Centrepay deduction scheme (Coodjingburra HOME preferred option).

If a tenant is having difficulty with initial bond and rent payments, Coodjingburra HOME may negotiate a payment plan and provide a referral to services that can assist with financial support.

3.3 Rent Statements

Rent receipts are emailed to tenants as a record of payment made.

3.4 Management of Rent Arrears:

Our aim is to keep people in affordable housing and in advance with their rent. To ensure this, a review of rent arrears for all tenants will be conducted weekly.

A range of methods to advise tenants of their rent account state will be utilised:

- an SMS will be sent to tenants if they fall into arrears
- contact will be made by the property manager to arrange for arrears to be addressed
- verbal commitment will be sought on intent to pay arrears, payment method and date
- if a tenant falls more than 14 days behind on rent, they will receive a notice to terminate the tenancy, giving them 30 days to settle the arrears or establish a formal repayment plan.

The preferred rate of rent arrears payment is three (3 weeks) rent per fortnight, Coodjingburra HOME will negotiate an affordable repayment plan based on the tenant's financial position and the reason why their account went into arrears in the first place.

Evidence may be requested based on this process; the goal is to secure a repayment plan that is affordable so that the tenant is not set up to fail. This will be documented as a formal repayment agreement and signed by the tenant.

If the arrears are not cleared by the end of the Notice Period, or the tenant defaults on a payment arrangement we will apply to the NCAT for a Specific Performance Order.

Where tenants do not comply with the SPO and have not signed or honoured a formal repayment agreement we will apply to the NCAT for an order giving us vacant possession of the property and an order that the tenant pay all rent owing.

Coodjingburra HOME is committed to supporting tenants to manage their finances and meet their debt commitments. Coodjingburra HOME will promote a rent-first approach that focuses on providing early advice and support to ensure tenants do not fall into arrears and that any enforcement action is proportionate.

3.5 Financial and Economic Stability

Coodjingburra HOME has a range of strategies in place to support financial inclusion for tenants. A 'payment culture' will be fostered, and tenants with identified complex needs (particularly those tenants that have a previous history of rent arrears/debt) will have regular direct contact (face to face/phone) during the first three months of their tenancy to establish a good rent payment habit. This process will continue for any tenants who have been identified as experiencing financial difficulties in paying their rent and other charges. Early, swift, and direct contact will be made with the tenant once arrears are detected.

Tenants are encouraged to contact Coodjingburra HOME if they encounter challenges with paying their rent. Those facing the risk of falling behind on rent will be provided with a personalised plan called the Tenancy Response Plan, tailored to their specific needs. This plan may involve collaboration with other services and partners to offer necessary support services. Tenants will receive support, information, and advice to effectively address their rental arrears.

Strategies to assist tenants experiencing financial difficulties will include:

- Checking to ensure that the tenant is receiving the full amount of Commonwealth Rent Assistance (CRA) that they are entitled to
- Information and referral to appropriate financial counselling (including informing the tenant that linking in with financial counselling is about more than sustaining their tenancy, it's to assist with their financial life)
- Realistic and achievable repayment plans will be established – which could include the involvement of other support workers/financial counsellors assisting in determining the amount the tenant can realistically afford
- Providing information and referral to local brokerage programs if other non-rental aspects of the tenants' finances could be addressed through brokerage.

3.6 Rent Review

Coodjingburra HOME will conduct a review of tenants' income every six months to confirm continued eligibility for rental subsidies (where applicable) and to assess the rent payable. We will conduct more regular reviews when tenants have fluctuating incomes.

The Tenant Welcome pack will inform tenants that it is a condition of their tenancy that they advise Coodjingburra HOME within fourteen days of any changes to their income. As per the AHO - Aboriginal Community Housing rent policy, tenants then have a further 14 days (a total of 28 days) to apply for rental subsidy (review).

If Coodjingburra HOME becomes aware of a change in the circumstances of a tenant, they can request updated income information from that tenant between official rent reviews. The same process for assessing rent increases will apply.

Where a notice of increase of rent to market rent has come into effect and the tenant later supplies proof of income, the assessed rent will take effect from the date the income statements are supplied. If unhappy with a decision a tenant may seek a review through the original decision maker and then Property & Operations Manager to waive or vary rent payable for a period in special circumstances.

3.7 Fluctuating Incomes

Tenants with fluctuating incomes because they work on a casual or sessional basis, will be required to submit income details every quarter if their income varies by more than 20% from week to week. Income assessments will be based on an average over the 13-week period.

3.8 Non-Rent Debt

Tenants who incur a non-rent debt, for example, the rectification of property damage, will be expected to enter a payment arrangement that will enable them to repay the debt at a reasonable and affordable rate.

Tenants in non-rent arrears will need to pay a minimum of 7.5% of their income in addition to their rent until their debt is cleared. Coodjingburra HOME is unable to agree to pay any non-rent costs upfront without a signed agreement in place.

3.9 Water Charges

Tenants will be advised to make weekly advance payments towards their water bills to cover their usage.

The payment amount will be adjusted based on their actual quarterly consumption. If a tenant prefers not to make advance payments, they will be notified that the full bill amount is due by the specified date.

If a bill remains unpaid when the next one is due, Coodjingburra HOME may issue a Notice to terminate the tenancy and require the earlier bill to be paid in full to avoid further legal action such as a Specific Performance Order through NCAT.

3.10 Tribunal Action

If all efforts to recoup debts fail, Coodjingburra HOME will issue a Notice to Terminate the tenancy.

This gives the tenant until the expiry date of the notice to rectify the issue.

If this does not occur, then an application will be made to the NCAT for a termination order.

At the first hearing, a Specific Performance order will be sought for a mutually agreed payment plan, with the right to have the matter re-listed should the tenant fail to comply with the order.

At the Tribunal hearing, we will not pursue an order for termination if the tenant consents to a Specific Performance Order to repay all arrears owing.

Possession: If the tenant breaches this order, we may apply to the Tribunal for vacant possession of the property.

3.11 Approvals/Monitoring

Debt repayment plans may be created by the Operations Manager.

Repayment plans that require an extension of timeframes may be approved by the Operations Manager if there are extenuating circumstances.

Authority to proceed to the Tribunal requires approval from the Operations Manager.

Arrears reports will be generated weekly and monthly reports will be provided to AHO.

Trend reports, analysis & responses to performance outside of KPIs are provided monthly to the Board.

4. Relevant Legislation, Regulations and Guidelines

Aboriginal Housing Office	Residential Tenancy Act & Resource
AHO Aboriginal Community Housing Rent Policy Final 2021 ****In review** | Aboriginal Housing Office (nsw.gov.au) **CLICK TO VIEW & DOWNLOAD**	Residential Tenancies Act 2010 No 42 - NSW Legislation **CLICK TO VIEW** Residential tenancy agreements NSW Government **CLICK TO VIEW** Aboriginal Tenants Advice and Advocacy Service (ATAAS) **CLICK TO VIEW**
NSW Department of Communities and Justice (DCJ)	
Rent non- disclosure policy **CLICK TO VIEW**	Tenancy and social housing (nsw.gov.au) **CLICK TO VIEW**

NOTE: We have inserted the exact links as of June 2026. Links can change from time to time. To clarify, or if you encounter any challenges, please contact Operations Manager Sharyn Logan: **sharyn.logan@coodjingburrahome.com** or **0431 633 002**