



Tenant Liability and Charges Policy

Purpose

This policy explains:

- what tenant liability is;
- what we, Foundation Housing consider to be tenant damage and how we deal with it; and
- how we deal with tenant liability charges.

It covers our approach to dealing with tenant liability, what action we may take, and the responsibilities our tenants have. It also gives details of the support we can offer.

Definitions

Tenants – Where the word tenant/s is used in this Policy, it refers to tenant/s on a Residential Tenancies Act Tenancy Agreement and Lodging / Shared Housing residents.

Ex-Tenants – This refers to tenants or residents who have vacated Foundation Housing Accommodation.

Policy

What is tenant liability ?

Tenant liability is money a tenant owes us relating to:

- tenant damage;
- unpaid rent;
- water consumption charges; and
- unpaid utilities charges.

What is tenant damage?

Tenants are responsible for any deliberate or accidental damage or neglect caused by them, or their household, or any visitor who a tenant given permission to come into the home.

We will charge a tenant for any damage if the tenant accepts responsibility or if we have enough evidence to prove that the tenant, or a member of their household or a visitor was responsible.

Tenant damage includes:

- broken windows or glass;
- blocked sinks or toilets caused by things such as oil, nappies, or sanitary towels;
- holes in doors or walls inside the home;
- burns or other damage to floor coverings or kitchen benches;
- damage to toilets and basins;
- broken locks not caused by fair wear and tear;
- overgrown gardens or lawns;



- damage to outside doors and security screens;
- damage to a water pipe;
- damage to a gas pipe; and
- costs for end-of-tenancy repairs and services such as cleaning and removing any rubbish.

This list is not exhaustive

Our commitment

Tenant liability affects our tenants and us. It can put tenants at risk of losing their tenancy and cause financial difficulties for us. It is in everybody's best interests to reduce tenant liability.

We will respond to tenant liability in a fair, honest and open way.

Our approach will include:

- giving tenants information on agencies that can give help and support, including financial advice;
- entering into a payment arrangement if we have made a tenant-liability charge;
- making sure we do not charge for repairs that are due to fair wear and tear; and
- taking action that is appropriate as defined under the Residential Tenancies Act 1987.

We will only take legal action if all our other attempts to recover any tenant-liability charges have failed, or if there are repeated or serious incidents of tenant damage.

Tenants responsibilities

Under the Residential Tenancies Act, tenants are responsible for:

- paying rent on time (each payment covers the coming two weeks);
- paying any charge relating to public utilities to the property;
- not deliberately or carelessly causing or allowing damage to the home;
- telling us as soon as possible if there is any damage to the property; and
- keeping your home reasonably clean.

Tenants are responsible for putting right any tenant damage either by organising the work themselves or arranging it through us if it is considered a health or safety issue.

If the damage was the result of a crime and this has been reported to the police, tenants must give us the crime report number and evidence to prove that the crime was committed by someone not connected to the tenant.



Our tenancy agreement explains a tenant's responsibilities.

If we have allowed a tenant to sublet their home, they still keep all your responsibilities to us under the tenancy agreement.

Our responsibilities

We will provide our tenants with accommodation that is in good condition and clean.

We will charge rent every fortnight (for the coming fortnight) and let tenants know if they miss a payment.

We will provide clear information on any charges for gas, water or electricity use.

We will inspect your accommodation every year, and more often if necessary.

We will **only** repair tenant damage during a tenancy if the damage is considered a health or safety issue to the tenant or our property, for example, broken glass or a broken lock on an outside door.

We will not charge for damage that is the result of a crime which has been reported to the police as long as we are satisfied that the crime was committed by someone not connected to the tenant.

If a tenant fails to pay tenant liability charges, or does not agree to an arrangement to pay them off, we will follow the procedures set out in the Residential Tenancies Act 1987.

If a tenant has a support agreement with a support provider, we will work with the support provider, in line with the agreement, on all matters relating to tenant liability.

Recovering tenant liability charges

We will try to recover all tenant liability charges during a tenancy and, if necessary, when the tenancy has ended.

When a tenancy has ended we will aim to finalise all accounts within six weeks of the tenancy ending.

If the debt cannot be recovered from the security bond, we may:

- enter into a debt recovery process through a debt collection agency;
- present the debt to the Board of Directors to be written off if all our attempts to recover it fail and it remains unpaid after a period of three months.

If a tenant has died, we will consider recovering debts of over \$250 from their estate. If this applies, we will tell the trustee of the estate that we plan to do this, and give them proof of the debt.

Under the Limitation Act 1985, the period for a tenancy debt is six years. After this, the debt will become 'statute barred' and we are not allowed to recover it by law. Under the Bankruptcy Act 1996, if a tenant is declared bankrupt, the debt becomes 'statute barred', and the tenant will not have to repay the debt by law.



We cannot take action to recover debts which are 'statute barred'. However, we will accept any payments ex-tenants offer against the debt as long as payments are entirely voluntary and we have told the ex-tenant that they do not legally have to repay the debt.

Ex-tenants who have owed us money in the past

Occasionally a previous Foundation Housing tenant may be listed in the Department of Housing's Joint Wait List, or may add their name to our Affordable Housing Register. In these situations, we may not offer that person a home if they have owed us money in the past.

Tenant damage charges

We have set charges for work to repair tenant damage that is considered to be a health or safety issue (please see Appendix A of this policy). We review and change these charges from time to time. We will endeavour to keep these costs as low as possible and any cost savings we can make get passed onto our tenants.

If the cost of accidental tenant damage is over \$2,500 and is covered under our buildings insurance policy, tenants responsible must pay the policy excess, up to \$1,000. This insurance does not cover tenant's personal belongings.

Appealing

If a tenant does not agree with any of our decisions or actions, they can appeal against them under our Appeals Policy.

Monitoring and reporting arrears

We will monitor and report on tenant damage charges to the Tenancy Management and Enrichment Committee and the Board when necessary.

Relevant Legislation

Residential Tenancies Act 1987 (WA)

Related Documents

Procedure: HS_TenantLiabilityandCharges_1_PRO_Ver2

Process of Policy Development / Review

First drafted in August 2014.

Document Control

Start Date Ver2: August 2014

Next Review Date: August 2016

Authority: CEO

Filename: HS_TenantLiabilityandCharges_1_POL_Ver2

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