

Arrears & Debt Management Policy (New Zealand)

1. Purpose

To define HOME in PLACE (New Zealand) Limited (HOME in PLACE NZ) approach to the management of debt incurred by tenants and former tenants.

2. Scope

This Policy applies to HOME in PLACE (New Zealand) Ltd (HOME in PLACE NZ) and its directors, Governance Committee and Advisory members and Employees (or Workers) engaged to carry out business activities on behalf of HOME in PLACE.

3. Policy Statement

HOME in PLACE NZ is a social housing landlord with a commitment to service delivery. HOME in PLACE NZ is able to apply and recover tenancy related charges in accordance with the provisions of the *Residential Tenancies Act 1986*. HOME in PLACE NZ 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. HOME in PLACE NZ will manage the recovery of rent and non-rent arrears with privacy and sensitivity.

By implementing this policy HOME in PLACE NZ is able to:

- Have an effective arrears and debt management process;
- Minimise the risk of ending tenancies due to arrears and debt;
- Assist tenants to sustain their tenancy and prevent homelessness.

3.1 Guiding Principles

HOME in PLACE NZ will be guided by the following principles:

- Adopt an early intervention approach to mitigate the risks of arrears and debt;
- Inform tenants of their legal obligations to pay rent, rent arrears and debt;
- Make appropriate referrals (with the tenant's consent)
- Comply with the requirements of the *Residential Tenancies Act 1986*

3.2 Managing Arrears & Debt

Tenants have a legal obligation to pay their tenancy charges. Former tenants have an obligation to pay all debt outstanding at the end of their tenancy.

3.2.1 Advising tenants of arrears on their tenancy accounts

In managing arrears, HOME in PLACE NZ may contact tenants in writing, by phone, SMS or by visiting the property. HOME in PLACE NZ will act quickly to inform tenants of arrears to prevent any debt from increasing.

3.2.2 Managing current accounts in arrears

HOME in PLACE NZ expects all outstanding debt to be repaid and will, in the first instance, ask that monies be paid in full.

If a tenant is experiencing difficulties that affects their ability to pay in full, HOME in PLACE NZ may accept a repayment arrangement and enter into a repayment plan with the tenant. HOME in PLACE will encourage tenants experiencing financial difficulties to accept appropriate referrals for assistance in managing their arrears. HOME in PLACE NZ will ensure that any such agreement to pay are affordable for the tenant.

If a reasonable repayment arrangement cannot be negotiated, or a tenant fails to meet the agreement, HOME in PLACE NZ reserves the right to take action in the Tribunal.

3.2.3 Managing arrears and debt of former tenants

When a tenant vacates a HOME in PLACE NZ property, the rent and non-rent accounts will be reconciled, and tenants will be advised of any credits or debits on their accounts. To ensure tenants receive any credits, it is important they provide a forwarding address and telephone number to HOME in PLACE NZ.

Tenants are expected to pay all outstanding debts, HOME in PLACE NZ will work with tenants to ensure that debts are repaid. If debts remain unpaid HOME in PLACE NZ reserves its right to make application to the Tribunal to recover debt.

When the accounts have been reconciled and the accounts are in credit, HOME in PLACE NZ will refund the money to the tenant. Tenants will be asked to complete a refund form and provide details of how they want the credits refunded, for example, direct deposit into a nominated bank account or by check.

3.3 Tenant Charges

HOME in PLACE NZ will manage tenant charges in accordance with the requirements of the *Residential Tenancies Act 1986*. Tenants are required to notify HOME in PLACE NZ urgently if they are aware something needs to be repaired or maintained, no matter how it happened or who caused the damage. Making timely reports means that properties are maintained and maintenance costs minimised.

Tenants are not responsible for repairs or damage arising from burglaries, natural events (such as storms, floods and earthquakes, or fair wear and tear.

3.3.1 Intentional damage

If a tenant (or their invited guests) intentionally damages a HOME in PLACE NZ property, the tenant must tell HOME in PLACE NZ. HOME in PLACE NZ can ask the tenant to repair the damage or pay the cost of replacement or repair.

3.3.2 Careless damage

Careless damage that is not caused intentionally. If tenants or their guests carelessly damage HOME in PLACE NZ property, they are liable for the cost of the damage up to four (4) weeks rent or the insurance excess, whichever is lower.

If HOME in PLACE NZ and the tenant cannot reach agreement on responsibility for and cost of repairs, HOME in PLACE may take action in the Tribunal.

3.4 Review of Decisions

If a tenant disputes a decision made by HOME in PLACE NZ, they should discuss this with a Tenancy Relations Officer in the first instance. If a tenant is still dissatisfied, they may be able to request a formal review of the decision. Tenants will be provided with information on HOME in PLACE NZ's appeals/ review process and with contact details for services that provide independent tenancy advice.

4. Definitions and Acronyms Glossary

For clarification of any definitions or acronyms contained within this document, please click on the [Glossary](#) for information.

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