

## Financial Hardship & Temporary Absence Policy [H05]

### 1. Purpose

The purpose of this policy is to outline how YWCA Australia (YWCA) aids residents experiencing significant financial hardship. This includes hardship where residents are required to be temporarily absent from their property and special consideration is required to help sustain their tenancy.

### 2. Scope

This policy applies to YWCA Australia (YWCA) staff responsible for working with YWCA residents and properties.

This document is a national policy covering YWCA Housing and YWCA National Housing. All references to YWCA Housing include both unless specifically stated otherwise. Where state-based variations exist in policies and procedures, these will be identified in this document.

This policy applies to all forms of housing owned and/or managed by YWCA including community and affordable residential rental properties and rooming houses.

Where other YWCA policies also need to be considered in these are identified in this policy and supporting procedures.

### 3. Definitions

Financial hardship	Hardship is where unforeseen events occur that fundamentally place a resident's tenancy at risk due to an unavoidable change in financial position and an inability to pay agreed rents.
Income earning household member	Any member of the household who earns an income from any source including but not limited to wages, salary, Centrelink benefits and compensation payments.
Resident	For brevity, the term 'resident' refers to renters and tenants of rented premises, and residents of rooming houses.
Separation certificate	A document issued by the government to show basic details about someone's employment. Details include period of employment, final pay, reason for termination and how much they were earning when they left.

### 4. Responsibilities

#### 4.1 Leaders –General Manager Housing Operations

- Assisting housing staff to follow this procedure. Ensuring good management of evidence in the tenancy management system.
- Recommending any changes to this procedure.

#### 4.2 People and Culture

- Incorporating this procedure into staff induction and training.
- Ensuring staff are aware of and have access to this procedure.
- Escalating feedback about this procedure to the document owner/writer.

#### **4.3 Employees – Housing staff and Community Housing Officers**

- Informing tenants of their rights and responsibilities in accordance with this document.
- Keeping records of the process in the relevant systems.
- Recommending improvements to this policy and procedure.

### **5. Policy**

YWCA sets rents at affordable levels based on a percentage of household income.

Where circumstances change and there is an ongoing reduction in household income, residents may seek a rent review in line with the Rent Setting and Rent Review Policy.

In special circumstances where residents face financial hardship that places their tenancy at risk and they are unable to meet their rental obligations, YWCA will consider applying a temporary reduction in rent.

In applying this policy YWCA will ensure:

- Residents experiencing financial hardship are treated with sensitivity.
- Where a tenancy is at risk, intervention will occur as early as possible to attempt to rectify any issues.
- Consistent, fair, and accountable processes are followed, and residents are provided with information about processes that impact their tenancy.
- Proper consideration is given to the human rights of residents under the Charter of Human Rights and Responsibilities Act 2006 (Vic) (Charter).
- A commitment to respond to matters that may be family violence related, that is trauma informed and promotes the wellbeing and safety of residents and their families.
- All contractual, legal and regulatory duties are met.

#### **5.1 Financial hardship**

Financial hardship occurs when a resident is unable to pay their rent without impacting on their ability to meet their basic living needs, this may be due to:

- Unavoidable and significant new or increased expenses (e.g. non-PBS medications or hire of expensive medical equipment where no external funding such as NDIS is available);
- Family violence (see the Family Violence Policy).
- A medical emergency.
- A temporary and unexpected reduction in income.
- Natural disasters such as bushfires or flood.
- Incarceration.
- Other significant and unexpected financial circumstances.

## 5.2 Temporary absence

A temporary absence is when a resident is required to be absent from their property for a short period of time, generally up to a maximum of 13 weeks. In exceptional circumstances, the period of absence may be extended beyond 13 weeks.

Where a resident is required to pay for temporary accommodation (e.g. respite, rehabilitation and nursing homes) or will not have access to their regular statutory income (e.g. prison) they can apply for a reduction to the weekly rent amount payable.

Note that holidays are not considered a temporary absence and are not covered by this policy; rent must still be paid during absence due to a holiday (see Arrears Management Policy).

## 5.3 Application process

Residents must inform YWCA as soon as their circumstances change. Residents seeking support for financial hardship must also provide adequate documentation that shows how the hardship occurred, how the hardship impacts the resident's ability to pay rent, when the hardship began, and how long it is expected to continue.

Types of documentation include:

- Letters from support services or financial counsellors.
- Confirmation of loss of income.
- Any other evidence of financial hardship.

Residents seeking support for temporary absence must provide:

- The entry and exit date of temporary accommodation.
- Confirmation of payment of fees.
- Confirmation they will not be receiving their regular statutory income.

Residents are encouraged to notify YWCA of a temporary absence as soon as possible and will be given 2 weeks to provide documentation in support of their temporary absence. During that time, YWCA will not take steps to issue a notice to vacate for rent arrears and will backdate any support or temporary absence to the date the notification was received.

## 5.4 Referrals

Where a resident has already engaged with a financial counselling service or support service, any financial plans or assistance should be provided as evidence to support an application for hardship.

Where financial support is not already in place, residents will be supported to engage with services that can assist to stabilise their circumstances such as financial counselling services or other support services. YWCA will assist the resident with referrals to these services.

YWCA will work with the resident and their support service to ensure the resident is receiving any commonwealth assistance that they are eligible for such as Centrelink benefits, rent assistance and concession cards.

See the Service Directory for a list of advocates and supports that may be able to assist in these circumstances.

## **5.5 Assessment and outcomes**

Applications for hardship will be assessed on a case-by-case basis, based on the information and evidence provided in the application, with consideration given to the resident's human rights.

YWCA will advise the resident of the outcome in writing within 7 days.

Assessment includes (but is not limited to):

- Whether the resident is absent due to special circumstances.
- Any previous temporary absence period or hardship support, including frequent temporary absences (excluding special circumstances).
- Resident or household history, including any complex tenancy issues.
- The involvement of other programs, for example child protection.
- Any resident or household issues relevant to the decision.
- Evidence of unexpected and significant additional financial costs.
- Evidence of significant medical costs not covered by external funding.
- Approximate length of incarceration with the aim of avoiding residents exiting prison into homelessness.

In line with human rights considerations under the Charter, the resident and their household's human rights may be impacted by a decision. The individual circumstances and consequences for the household which may result from the proposed action will be taken into consideration. For example, whether non-approval create severe hardship for the household, negatively impact the family unit, their ability to practice their culture and religion, impact their mental health or result in an eviction in homelessness.

## **5.6 Rent reduction**

Where significant hardship has been established (either financial hardship or hardship due to temporary absence), YWCA may reduce rental payments for an agreed period.

If a rent reduction is approved YWCA will reduce the rent to 25% of the weekly rent payment and will advise the resident in writing of the commencement and duration of the reduced rent period.

Where a resident is absent for longer than 13 weeks, and an extension has not been approved, YWCA may take action to regain possession of the property, see Ending a Tenancy Policy.

## **6. Transparency and accessibility**

This policy is made available on the YWCA Housing website [www.ywcahousing.org.au/policies](http://www.ywcahousing.org.au/policies).

## **7. Appeals**

Staff will inform residents of their right to appeal organisational decisions and to complain about the services of YWCA in accordance with the appeals and complaints process.

## 8. Record keeping

Staff will maintain all relevant information associated with in the tenancy management system.

### Document Data Control

Financial Hardship & Temporary Absence Policy				
Responsible Body			Director, Development and Housing	
Accountable Officer			General Manager, Housing Operations	
Supersedes			Hardship & Temporary Absence Policy	
Associated documents			Sustaining Tenancies Policy Family Violence Policy	
Legislation			Housing Act 1983 (VIC)	
			Housing Act 2003 (QLD)	
			Housing Regulations 2015 (QLD)	
			Housing Act 1982 (NT)	
			Residential Tenancies Act 1997 (VIC)	
			Residential Tenancies Regulations 2021 (VIC)	
			Residential Tenancies & Rooming Accommodation Act 2008 (QLD)	
			Residential Tenancies Act 1999 (NT)	
			National Affordable Housing Agreement	
			Victorian Charter of Human Rights and Responsibilities Act 2006	
			Queensland Human Rights Act 2019	
			National Community Housing Standards	
			Social Service Standards (VIC)	
			Guidelines for registered housing agencies	
			Performance Standards for Registered Housing Agencies.	
			Consumer Charter for Community Managed Housing and Homelessness Services (VIC)	
			National Community Housing Regulatory Code	
Victorian Community Housing Regulatory Code				
State based agreements between YWCA and statutory bodies				
Approval and Amendment history				
Review period – 2 years				
Approval date	Effective date	Version	Amendments	Next review
May 2022	May 2022	1.0	Superseded Temporary Absence and Hardship Policy	May 2024
Jul 2022	Jul 2022	1.1	Updates to temporary reduction of rent payable	July 2024
Jul 2024	Jul 2024	2.0	Reviewed to align with CHIA recommendations and WHF principles.	July 2026