

1.0 Purpose

This Policy is to ensure a fair and equitable process for identifying damage to a property that is the customer’s responsibility to repair or cover the cost of repair.

2.0 Scope

This policy and procedure applies to damages to Hume CHA property for which the customer has been identified as responsible for costs repairing the damage.

2.1 Strategic Alignment

Goal 1.5 – Customer & Stakeholder Profiling

Goal 2.1 – Planning

Goal 2.2 – Improve the health and Well Being of Tenants

Goal 2.5 - Government Requirement

Goal 5.1 – Value for Money

Goal 5.6 – Business Excellence, Service Excellence

Goal 6.4 – Viable, Sustainable and Profitable

3.0 References

3.1 Residential Tenancy Act 2010

3.2 Property Condition Reports

4.0 Policy

4.1 Hume CHA is committed to:

- i. Ensure to provide customers with premises that are in good condition and to maintain that condition through the life of the tenancy as per the *Residential Tenancies Act 2010*.
- ii. Preventing the occurrence of damage through regular inspections and quality properties and fittings
- iii. Identifying high risk tenancies and ensuring support
- iv. Ensuring evidence is collated prior to abide by the terms and conditions of the Residential Tenancy Agreement that relate to the landlord's responsibilities.
- v. To collect and record information about the type and extent of damage to premises and the circumstances under which the damage may have occurred.

Policy Name:	P – Property Damage - Customer	Version:	001
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- vi. To provide the customer with written notice when Hume CHA considers the customer is responsible for Customer damage costs.
- vii. To provide the customer with written notice when Hume CHA claims repayment for Customer damage costs.
- viii. If the customer disputes liability, a formal appeal process will be entered into (refer Policy & Procedure - Appeals)
 - i. At the final stage only, when other avenues have not been successful initiate cost recovery action before the NSW Civil and Administrative (NCAT, formally the Consumer, Trader and Tenancy Tribunal CTTT) or the local court.
- ix. Before the customer vacates the premises, Hume CHA will carry out a final inspection in the customer’s presence and complete a Property Condition Report.
- x. Not to charge Customer damage costs caused by damage that occurs after the customer provides vacant possession of the premises to Hume CHA.
- xi. Hume will take into account any undue hardship that the implementation of this policy may incur and negotiate, where appropriate, payment plans to minimise the financial impact on the customer

4.2 Customers are responsible to:

- i. Take good care of their premises and to take responsibility for property damage other than that caused by fair wear and tear or the criminal activity of a third party.
- ii. Accept liability to any damage to property and understand that Hume CHA will recover any cost of the repairs.
- iii. abide by the terms and conditions of the Residential Tenancy Agreement
- iv. Advise Hume CHA of any damages made to the property as soon as possible.
- v. Cover the costs of the damage or repair the property to a tradesman like standard.
- vi. Comply with CTTT or local court orders to pay the cost of repairs or cleaning.
- vii. Report to the NSW Police any damage that is suspected to have resulted from criminal activity, such as break and enter vandalism or domestic violence.

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- viii. When the customer vacates the premises, to:
- a. give Hume CHA 21 days written notice before vacating the premises if the customer has a continuous tenancy or to give Hume CHA 14 days written notice before vacating the premises if they have a fixed term tenancy;
 - b. restore the premises to the condition they were in at the start of the tenancy, after allowing for fair wear and tear; and
 - c. Return the keys to Hume CHA
- Receive a written notice of acceptance of the keys by Hume

5.0 Customer Damage

5.1 The following types of damage are typical of incidents where the customer may be responsible for customer damage:

- broken windows;
- punctured internal cabinet doors and walls;
- burns or other damage to carpets that cannot be considered fair wear and tear;
- broken and damaged clotheslines and hoists;
- broken locks;
- damaged doors and security screens;
- damage to toilets and basins;
- sewer chokes caused by inappropriate items flushed down the toilet,
- Abandoned furniture, appliances, rubbish or vehicles at the end of the tenancy.

5.2 Damage to the premises that is the customer's responsibility includes:

- damage that is intentional;
- failure to take care to prevent damage (neglect);
- failure to keep the premises in a reasonably clean condition;
- failure to restore the premises to their condition at the start of the tenancy, after allowing for fair wear and tear;
- Intentional damage, or neglect leading to damage, that is caused by any member of the household, pets or any visitor who enters the premises with the customer's permission.

5.3 To determine who is responsible for the cost of repairing damage to the property Hume CHA will:

- i. Take into account the type of damage and any information concerning liability the customer give Hume CHA when reporting the damage.
- ii. Inspect the premises and document the damage where appropriate.

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- iii. Discuss the items of damage with the customer and record information the customer or a third party gives Hume CHA about the possible cause of the damage.
 - iv. Take into account the condition of the premises at the beginning of the tenancy, as stated in the Property Condition Report and any evidence of work undertaken on the property at the start or during the tenancy.
 - v. Take into account damage due to fair wear and tear, which Hume CHA are responsible to repair.
 - vi. Take into account damage due to an emergency situation where there was good cause to believe that the customer's health and wellbeing was at risk.
 - vii. Consider whether ill health or inability to maintain the premises has contributed to the damage. At times, medical evidence may be requested
 - viii. Consider whether the damage is a result of criminal activity such as:
 - a. Domestic violence. Hume CHA is committed to reducing the incidence and effects of domestic violence and encourages people subjected to domestic violence to speak with a client service officer or domestic violence support workers in the area.
 - b. Other Criminal activity such as break and enter or vandalism.
- 5.4 In circumstances of criminal activity the customer is requested to provide evidence that they have reported the matter to the NSW Police, such as a Police statement or Police Event Number.
- 5.5 If Hume CHA considers the customer is responsible for customer damage costs Hume CHA will send out a letter to the customer stating:
- i. The nature of the repairs.
 - ii. That Hume CHA requires the customer to pay for the repair costs in accordance with responsibility under Section 51 of the *Residential Tenancies Act 2010*.
 - iii. That the customer can accept liability by signing and returning the Notice of Liability within 14 days of receipt (included with letter).
 - iv. That the customer can dispute liability by telling Hume CHA immediately and providing written reasons.
- That if the customer disputes liability Hume CHA will follow the complaints and appeals policies

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- 5.6 Repeat or serious incidents of customer Damage
Where Hume CHA has sufficient evidence of repeat or serious incidents of customer responsible damage, Hume CHA will immediately take action before the CTTT to obtain a specific performance order. In certain circumstances, Hume CHA will take action to end the tenancy.
- 5.7 Customer Damages Charges Where Asbestos Is Present
- i. Asbestos-cement can be a health risk if asbestos fibres become airborne and are inhaled. This can happen when asbestos-cement building products are broken, sanded, drilled or disturbed in any way that results in airborne asbestos fibres.
 - ii. Expert advice received from Work Cover NSW and NSW Health tells us that living in a home built with asbestos-cement building products are not considered a health risk.
 - iii. When a customer damages their property that has material containing asbestos, they could potentially disturb the asbestos (e.g. a customer damages a wall that has asbestos material in it).
 - iv. Where there is evidence that a customer has damaged their property, Hume CHA should **always pursue** Customer Damage Charges. In a previous case, the CTTT has ruled that the customer is only responsible for the costs involved in replacing the structure that had asbestos in it and not the costs associated with safely removing the asbestos. Housing NSW Legal Services' opinion is that the CTTT's decision would survive any challenge. Therefore, Hume CHA should not seek customer damage charges for the removal of the asbestos and follow the Policy & Procedure – Asbestos.
- 5.8 Vacating Customers
- i. Before vacating the premises the customer must restore them to the condition they were in at the start of the tenancy, after allowing for fair wear and tear. This includes cleaning, rubbish removal and the non-abandonment of goods, including furniture and vehicles. Before vacating, Hume CHA must carry out a final inspection and complete a final Property Condition Report. Once the customer has returned the keys to Hume CHA and provided vacant possession, the customer is no longer responsible for damage that occurs after that. It is the customer who is responsible for returning the keys to Hume CHA, not the neighbours or another third party.

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- ii. If the customer abandons the premises, or fails to return the keys, or after the 21 days' notice has elapsed, Hume CHA will obtain possession of the premises and assess its condition. If Hume CHA obtains sufficient evidence that the customer is responsible for damage that goes beyond fair wear and tear, Hume CHA will notify the customer of the costs associated of the repairs and hold it as a debt due for payment by the customer, and may take action as appropriate before the CTTT or the local court to recover from the customer the cost of repairing the damage.
- iii. Hume CHA has seven days to make a claim for the rental bond monies. The bond monies can cover any monies which are outstanding e.g. – rent and water usage. The remainder of the monies will be refunded to the customer via the rental bond board. However if there are additional charges those charges will also be deducted from the bond monies. If the customer is disputing any charges they are able to make a claim through the CTTT, however we always try and negotiate prior to these proceedings. When we are making a claim of any bond monies we will always advise the customer what we are claiming for there knowledge.

5.9 Previous customers with outstanding customer damage costs who reapply for housing

If a former customer reapplying for housing assistance has an outstanding customer repair debt, Hume CHA will take this into account when assessing eligibility for further assistance.

5.10 Reviewing Decisions

The customer may request an internal review of a Hume CHA decision:

- To charge customer damage costs;
- Not to waive customer damage costs on the grounds of ill health, domestic violence or the criminal activity of a third party; or
- That a person is ineligible for further housing assistance due to an outstanding customer repair debt from a former tenancy.
- Hume CHA will advise the customer in writing of the review decision. If a person disputes the review decision, they may appeal to NCAT or local Magistrate's court.
- If the customer is still dissatisfied of the decision made by Hume CHA, the customer is encouraged to begin the formal appeals process. Refer to Policy & Procedure - Appeals.

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6.0 Responsibilities

- 6.1 Manager – Assets is responsible for ensuring that this policy is implemented
- 6.2 Employees are responsible to ensure that they comply with this procedure
- 6.3 CEO is authorised to approve this policy.
- 6.4 Quality Assurance and Compliance Coordinator is responsible to ensure that this procedure is reviewed as per Policy & Procedure Schedule.

7.0 Relevant Documents

- 7.1 Policy –Residential Tenancy Agreement
- 7.2 Policy & Procedure – Appeals
- 7.3 Policy & procedures - Asbestos

8.0 Summary of Changes

Version Nr.	Date:	Details of Changes
V1.0	xxx	Initial Issue

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