

Tenant Charges Policy

1. Purpose

To explain how Compass Housing Services Co Ltd (Compass) will identify and manage liability for damage or services to a property.

2. Scope

This policy applies to all Compass tenants. The policy only applies to tenant charges incurred as a result of property damage and property care issues.

3. Policy Statement

Compass provides tenants with properties that are clean, safe and functional.

Tenants are responsible for reporting any damage or maintenance required to Compass in a timely manner. Making timely reports means that properties are adequately maintained, and maintenance costs minimised over the longer term. Compass will manage tenant charges in a fair and transparent manner and in accordance with its obligations under the Residential Tenancies Act 2010 (NSW).

Tenants are expected to take good care of the premises and keep them reasonable clean.

Tenant damage is defined as damage that is the result of the deliberate action or negligence of a tenant, household member or visitor.

Not all damage is caused deliberately or through neglect. Fair wear and tear means damage that happens to a property through ordinary day to day use of the property by the tenant, for example, carpet becomes worn over time from people walking on it.

Managing Tenant Charges

Under the NSW Residential Tenancies Act 2010, landlords and tenants have responsibilities in relation to the property.

Compass responsibilities:

- Abide by the terms and conditions of the Residential Tenancy Agreement and ensure the property is safe, clean and functional;
- Conduct periodic inspections throughout the tenancy;
- Conduct a final inspection with the tenant (where possible) when the tenant vacates the property and complete a Property Condition Report;

- Collect and record information, including photographs, showing the type of damage and how it may have occurred;
- Provide the tenant with written notice of the damage/cleaning when Compass considers this is the responsibility of the tenant
- Provide the tenant with the opportunity to remedy any damage by arranging repairs;
- Ensure that recovery the costs of repairs/maintenance is managed fairly and transparently.

Tenant responsibilities

- Abide by the terms and conditions of the Residential Tenancy Agreement;
- Take good care of the property and keep it reasonably clean;
- Tell Compass as soon as possible if the property has been damaged or there is a maintenance issue;
- Pay any costs for damage that is the result of a deliberate action or caused by the negligence of the tenant, household member or visitor;
- Comply with NSW Civil & Administrative Tribunal (NCAT) orders to pay the cost of repairs or cleaning or other charges;
- Report to the police any damage that is suspected to have resulted from criminal activity, for example, break and enter, vandalism or domestic violence;
- When they vacate, the property is restored to the condition it was in at the start of the tenancy except for fair wear and tear.

The following types of damage or services may incur tenant charges:

- Broken windows
- Holes in doors, walls, cabinetry;
- Burns or other damage to carpets beyond fair wear and tear;
- Broken and damaged clothesline;
- Broken locks or where keys have not been returned at the end of tenancy;
- Damaged/missing doors and screens;
- Damage to toiles and basins;
- Sewer chokes caused by items flushed down the toilet, such as wipes, nappies, toys;
- Costs associated with the removal of tenant property at the end of the tenancy;
- Unauthorised alterations to the property;
- End of tenancy cleaning;

- Call out fees (where a tenant is not available for pre-arranged trade attendance)

Determining responsibility

Damage to the property that is the tenant’s responsibility includes:

- Damage that is intentional;
- Failure to take care to prevent damage (neglect);
- Failure to keep the property reasonably clean;
- Failure to respond the property to the condition it was in at the start of the tenancy, 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 property with the tenant’s consent.

To determine who is responsible for the cost of repairing damage Compass will:

- Take into account the type of damage and any information the tenant provides when reporting the damage;
- Inspect the property, document and photograph the damage where appropriate;
- Discuss the damage with the tenant and record information the tenant or a third party, including a contractor, gives Compass about the possible cause of the damage;
- Consider the condition of the property at the start of the tenancy and any work undertaken during the tenancy;
- Consider fair wear and tear;
- Take into account damage due to an emergency situation where the tenant was at risk;
- Consider all the circumstances of the tenancy.

Criminal activity

Compass will consider any damage caused by alleged criminal activity such as:

- Domestic violence;
- Break enter or vandalism.

In circumstances of alleged criminal activity, the tenant will not be charged if the tenant provides sufficient evidence, for example;

- The activity has been reported to the NSW Police;
- Police report;

- Witness/victim statements
- Police event number;
- Statutory declaration outlining how the damage was caused;
- The damage is reported to Compass and evidence is provided within 14 days of the damage occurring.

NOTE: A police event number on its own will not be accepted as sufficient evidence of alleged criminal activity.

Repeated or serious incidents of tenant damage

When Compass has sufficient evidence of repeat or serious incidents of damage to a property that a tenant is responsible for, Compass will immediately take action in the NCAT to obtain a specific performance order and/or a money order. In some circumstances, Compass may take action to end the tenancy.

Recovering outstanding tenant charges

Compass will work with tenants to find the most appropriate means of paying outstanding tenant charges. This includes:

- The tenant entering into a payment plan to repay the charges;
- Taking action at the NCAT for a money order.

Debts outstanding when a tenancy ends will be managed through the NCAT.

Review of decisions

If a tenant does not agree with a decision Compass has made, they should first discuss this with a Tenancy Relations Officer. If the tenant is still dissatisfied, they have the right to lodge an appeal for a formal review of the decision. Appeal Request forms are available on the Compass website or by contacting a Compass branch.

4. Responsibilities

All Compass workers have an obligation to:

- familiarise themselves with and ensure they have a clear understanding of Compass policies and procedures,
- observe and implement such policies, and associated procedures in delivering services to Compass clients,
- inform Compass clients of the impact of this policy on them and assist them to understand their rights and obligations, as required,
- identify issues that require amendment to this policy document and complete the relevant documentation to propose any amendments, and
- report breaches of Compass policies or procedures.

The relevant Group Executive Manager is ultimately responsible to:

- ensure all stakeholders within their area of responsibility are informed about Compass Policies and Procedures,
- ensure appropriate processes and controls are implemented to enable the correct application of and adherence to relevant policies and procedures, and
- ensure appropriate processes and controls are implemented to enable breaches of approved Compass Policy and Procedures to be reported and managed.

5. Implementation and Review

This policy is listed on Compass Controlled Documents Register and is a controlled document requiring approval of any changes. It may not be amended or shared outside Compass without approval.

The policy is reviewed regularly and published on Compass SharePoint intranet once approved. Employees receive communications and training on new and reviewed policies and procedures.

Compass complies with relevant contractual compliance obligations and jurisdictional laws and regulations when implementing this policy. Confirmation of internal compliance with this policy is undertaken regularly.

It is the responsibility of Compass Group Executive Services (governance@compasshousing.org) to maintain and update the Compass Master Policy Document, Policy Directory and the Policy Review Register, administer the review and approval process and inform and distribute new and amended policies and procedures once approved (refer PROC-011 Policy and Procedure Development Approval).

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Compass Workers should refer to [SharePoint Company Documents Policy and Procedure site](#) for the latest version which takes precedent over any uncontrolled version. If this document is printed, downloaded, or saved elsewhere from this site it becomes an uncontrolled version.

For further information contact the Responsible Officer listed under Document Information.

6. Resources and related documents

Related documents

- Ending Tenancy Policy
- Debt Management Policy
- Appeals Policy

Related legislation/standards

- Residential Tenancies Act 2010 NSW
- Residential Tenancies Regulations 2010 NSW

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7. Definitions

Please refer to Compass Glossary of Definitions for Policies and Procedures. Terms and definitions identified below are specific to this policy and are critical to its effectiveness:

Term	Definition
Appeal	A request to review a decision made by Compass that the tenant is dissatisfied with
Compass	Compass Housing Services Co. Ltd
Compass Group	The corporate structure that includes Compass (as the Parent Company) and the boards of Subsidiary Companies, Governance Committees and advisory groups as created from time to time.
Director	Has the same meaning as defined in the Corporations Act 2001 Part 1.2 Division 1 Section 9 Dictionary in Australia and as defined in the Companies Act 1992 Part 1 Section 2 Interpretation in New Zealand
Employee	A person engaged under an employment agreement or award by any company in the Compass Group.
Landlord	The person who grants the right to occupy a property under a Residential Tenancy Agreement
NSW Civil & Administrative Tribunal (NCAT)	An independent statutory body that resolves disputes including tenancy disputes. Orders made by the NCAT are enforceable
Officer	Has the same meaning as defined in the Corporations Act 2001 Part 1.2 Division 1 Section 9 Dictionary in Australia and as defined in the Companies Act 1992 Part 1 Section 2 Interpretation in New Zealand
Parent Board	The current directors of Compass.
Parent Company	Compass Housing Services Co Ltd (Compass)
Residential Tenancy Agreement	The written agreement between Compass and the tenant
Subsidiary Boards	The appointed board of directors of a Subsidiary Company.
Subsidiary Company	A company in which Compass owns all or at least a majority of the shares.
Tenant	A person who signs the Residential Tenancy Agreement with Compass
Worker (Compass)	has the same meaning as defined in the NSW Work Health and Safety Act 2011 No 10 Subdivision 2 Part 7 Meaning of 'worker' (1) A person is a worker if the person carries out work in any capacity for a person conducting a business or undertaking, including work as: <ul style="list-style-type: none"> • an employee, or • a contractor or subcontractor, or • an employee of a contractor or subcontractor, or • an employee of a labour hire company who has been assigned to work in the person's business or undertaking, or • an outworker, or • an apprentice or trainee, or • a student gaining work experience, or • a volunteer, or

Term	Definition
	<ul style="list-style-type: none"> a person of a prescribed class.
Worker (Compass QLD)	<p>is 'a person who works under a contract and, in relation to the work, is an employee for the purpose of assessment for PAYG withholding under the Taxation Administration Act 1953 (Cwlth), schedule 1, part 2-5'. This applies to a person for whom PAYG tax instalments are required or would be required to be withheld by their employer.</p>

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