

Debt Management

A debt is an amount owing on a tenancy account to the Department of Territory Families, Housing and Communities (the Department). You will go into debt if you do not pay your rent and/or other tenancy related charges.

Tenancy related charges are charges you are required to pay to the Department under the Tenancy Agreement. These charges may include rent, security deposit (bond), excess water usage, maintenance, court ordered legal costs and/or compensation costs ordered by the Northern Territory Civil and Administrative Tribunal.

Rent arrears

It is important to pay your rent. If you do not pay your rent on time, your rental account will go into arrears. If you do not pay your rent, it is a breach of your Tenancy Agreement. It is your responsibility to engage with the Department if we are not receiving your rental payments.

The Department will send you an arrears advice letter if your rent is seven days late. If your rent is still not paid seven days after this first letter, you will receive a final arrears advice letter. These letters are to help you manage your rent payments. You will also find a summary of your rent account in these letters.

Debt Prevention

If you have not been paying enough rent and your rent is in arrears and/or when other payments due to the Department have not been made, the Department will notify you. The Department will write to you about this and may also talk to you on the phone or visit you at home.

If you can't pay your rent, you have missed rent payments or you are worried your rent and/or other tenancy related payments are not being made, tell your local Housing office as soon as possible about your situation. This will help the Department assess support you may require to help minimise and prevent debt.

This support may include repayment of a debt through an Agreement to Pay or offers for referral to financial counsellors and/or tenancy support services.

Review of debt

The Department will review debt to confirm it is valid. Where a debt is valid, the Department will let you know as soon as possible of the debt and explain the reasons for the amount of debt owed. If you disagree with the debt, you can ask us to review our decision through the Complaints and Appeals Unit. For further information contact the Housing Complaints and Appeals Unit on 1300 301 167 or email Housing.Appeals@nt.gov.au.

Repaying a debt

The Department recognises making one full repayment for a total debt is not always possible and allows repayment through affordable repayment arrangements over time until a debt is repaid. This is called an Agreement to Pay.

The Department will work with you to ensure an Agreement to Pay is affordable. This includes adjusting an agreement if your circumstances have changed and you can no longer afford the set payments.

The Department will offer referral to financial counselling and other support services, where available, to help you find ways to repay debt and advise on how much you can afford to repay each week. Financial counselling and support services can help you get back on track. Please speak to your local Housing office for more information.

The Department will not require you to pay more than 30 per cent of your household income toward your rent and any debt you may owe, unless you consent to an amount above 30 per cent.

Legal action to recover debt

The Department will try to resolve debt directly with you, however, if you have refused to repay the debt and/or repeatedly missed payments under an Agreement to Pay, legal action may be sought through the Northern Territory Civil and Administrative Tribunal to recover the debt.

The Department may apply for compensation orders through the Northern Territory Civil and Administrative Tribunal if:

- You are more than two weeks in rent arrears;
- The Department has exhausted all reasonable ways to contact you to discuss the debt and you haven't been in touch;
- You have refused to repay the debt; or
- You have repeatedly missed payments under an Agreement to Pay.

The Department will work with you to prevent and minimise debt and will only seek termination of a tenancy as a last resort. The Department may consider termination where there is ongoing non-payment of rent and debts, including compensation orders.

Applying for public housing

You are still eligible for public housing if you have an outstanding debt to the Department. You must be making repayments on this debt prior to being made an offer for public housing.

Debt resulting from domestic or family violence

Exemptions may apply if the debt was incurred as a result of domestic or family violence. Please speak to your local Housing office for more information.

Where can I get more information?

Contact your local Housing office or visit www.tfhc.nt.gov.au

Greater Darwin	(08) 8999 8814	Big Rivers	(08) 8973 8513
Top End	(08) 8995 5122	Barkly	(08) 8962 4497
Central Australia	(08) 8951 5344	Arnhem	(08) 8987 0533