

# MANAGING RENT ARREARS + EVICTIONS DURING COVID-19



Temporary laws have been introduced into Victorian Parliament to help protect tenants suffering financial hardship due to Coronavirus (COVID-19).

The Victorian Housing Registrar has also declared that all Community Housing organisations must report any plans or decisions to end a tenancy for any reason until **31 December 2020**.

**This means that before making any decision to take legal action, all co-ops must contact your Co-op Development Co-ordinator so that appropriate reports can be made and further action planned.**

## Is it true, no-one can be evicted?

Evictions are banned for tenants who fall into rent arrears due to financial hardship caused by the Coronavirus restrictions.

Evictions may occur, however, if:

- A tenant damages the property
- The property is used for criminal activity
- Serious violence occurs
- Tenants can pay rent, but wilfully do not

## Can tenants stop paying rent?

No. Tenants must not stop paying rent.

If tenants are unable to pay rent because of a change in financial situation, landlords and tenants are expected to work together to make arrangements that help people continue to pay the rent and keep a roof over their heads.

## What tenants can do, if having difficulty paying rent . . .

All tenants are strongly advised to contact the landlord as soon as difficulties arise to try to work out a solution.

Any agreement reached should be written up, signed by both parties and registered with

Consumer Affairs Victoria. It's important not to ignore the problem, as not paying rent breaches your tenancy agreement.

### NEW LAWS ALLOW TENANTS TO . . .

Apply to leave the tenancy, if they want, without paying fees for breaking the lease

Stay and negotiate a rent reduction

**!** *This is already a feature of the CEHL Program and is done by requesting a rent review*

If an agreement can't be reached, provisions are available to ask the disputes resolution team at Consumer Affairs Victoria to assign an accredited mediator and/or apply for a government grant.

These options are only available, however to people with less than \$5,000 in savings paying at least 30% of income in rent.

**!** *All CEHL Program members are charged less than 30% of their income in rent, so are unlikely to be eligible for this assistance.*

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## How long will the new requirements be in place?

The new requirements will apply from 29 March 2020 for a period of six months. Landlords cannot serve a Notice to Vacate from that date.

## What landlords must do . . .

Landlords need to meet the same responsibilities to tenants that currently exist under each lease, including carrying out repairs.

Landlords cannot list tenants on a residential tenancy database (blacklist) if a tenant is unable to pay rent because of coronavirus (COVID-19). *This would mean that CEHL and co-ops could not release this information if asked for a reference by a future landlord.*

All Community Housing landlords are also required to lodge a report with the Victorian Housing Registrar before taking any legal action.

## How to manage existing arrears and other reasons for eviction . . .

Any Notices to Vacate, Orders of Possession, or Warrants issued since 29 March 2020 are now invalid.

All landlords should contact tenants who have current rent arrears, or are in breach of their tenancy agreement, to attempt to reach an agreement for how these issues can be resolved. Co-op Development Coordinators can assist co-ops to find ways to negotiate and manage these agreements.

If the circumstances that led to the previous VCAT action continue, if mediation is needed, or if an eviction is warranted due to specific

circumstances, all Community Housing landlords must make a report to the Victorian Housing Registrar before lodging a [COVID-19 rental agreement or dispute form](#) with Consumer Affairs. They will then determine whether one of the exceptions applies and refer it to VCAT for determination if appropriate.

## What to do right now?

All co-ops are advised to follow the Program's existing rent and arrears policies regarding reminders and catch-up agreements which already offers flexibility and fairness for households facing financial hardship.

**Before making any decision to take legal action, however, all co-ops must contact your Co-op Development Co-ordinator so that appropriate reports can be made to the Victorian Housing Registrar and further action planned.**

## Will the new Residential Tenancies Act still start in July?

No. Commencement of the new Residential Tenancies Act has been postponed until 1 January 2021, except for clauses relating to people experiencing family violence, which are already in place.

### MORE INFORMATION

Keep up to date via the Consumer Affairs Victoria website [www.consumer.vic.gov.au/contact-us](http://www.consumer.vic.gov.au/contact-us)

Contact your Co-op Development Co-ordinator for further information and advice