



## 7.7 Tenant Charges

### Scope

This policy applies to all SGCH tenancies. This policy relates only to tenant charges. Other charges such as water usage are dealt with in the Non-rent Charges policy.

### Purpose

The intent of this policy is to identify liability for damage to a property or services undertaken in a way that is procedurally fair.

### Guiding Principles

- SGCH will charge tenants in accordance with tenant's responsibilities as per the *Residential Tenancies Act 2010*.
- SGCH will only charge a tenant if they have accepted liability or if SGCH has sufficient evidence of the tenant's responsibility for the costs.
- The tenant has the right to accept or dispute liability for tenant charges.

### What are tenant charges?

SGCH may charge tenants for repairing damage to a property or undertaking services that the tenant is responsible for.

If the tenant is responsible for repairing damage or undertaking services and SGCH arranges the repairs or services, SGCH will charge tenants for the costs. These are known as tenant charges.

### Responsibilities under the *Residential Tenancies Act 2010*

Tenants can expect SGCH to provide them with premises that are in good condition and to maintain that condition throughout the life of the tenancy.

Tenants are expected to 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. Under the *Residential Tenancies Act 2010*:

- SGCH is responsible for keeping the property in a reasonable state of repair.
- The tenant is responsible for:
  - The cost of repairs due to intentional damage or neglect that is caused by the tenant or a member of the tenant's household or a visitor who enters the premises with the tenant's permission.
  - Leaving the property in the same condition at the end of the tenancy as it was at the commencement of the tenancy except for fair wear and tear; removing all belongings from the property; removing all rubbish from the property; leaving the property reasonably clean (having regard to the condition at the commencement of the tenancy) and returning all keys and similar devices to the landlord.

The tenant can expect SGCH:

- To abide by the terms and conditions of the Residential Tenancy Agreement.
- To collect and record information about the type and extent of damage to premises and the circumstances under which the damage may have occurred.
- To provide the tenant with written notice when SGCH considers the tenant is responsible for tenant charges and is claiming reimbursement.
- To review the decision to charge a tenant if they disputes liability. SGCH will then either:
  - Cancel or amend the tenant charges and advise the tenant in writing; or
  - Take cost recovery action before the Consumer, Trader and Tenancy Tribunal (CTTT).
- To carry out a final inspection in the tenant's presence (where possible) when the tenant is vacating the premises and to complete an end of tenancy condition report.
- Not to charge tenant for damage that occurs after the tenant provides vacant possession of the premises to SGCH.

SGCH expects the tenant to:

- Abide by the terms and conditions of the Residential Tenancy Agreement.
- Take good care of the premises and keep them reasonably clean.
- Tell SGCH as soon as possible if their property has been damaged.
- To pay for tenant charges.
- Comply with CTTT orders to pay the cost of repairs or cleaning or other charges.
- 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.
- Restore the property to the condition it was in at the start of the tenancy when they vacate the property except for fair wear and tear.

### Types of tenant charges

Tenant charges may include, but are not limited to, the following types of repairs:

- 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 items flushed down the toilet, such as sanitary pads, nappies or toys.
- Costs for end of tenancy repairs and services such as cleaning and rubbish removal.

### Determining responsibility

Damage to the premises that is the tenant'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 tenant's permission.

To determine who is responsible for the cost of repairing damage to the property SGCH will:

- Take into account the type of damage and any information concerning liability the tenant provides when reporting the damage.
- Inspect the property and document and photograph the damage where appropriate.
- Discuss the items of damage with the tenant and record information the tenant or a third party gives SGCH about the possible cause of the damage.
- Take into account the condition of the premises at the beginning of the tenancy, as stated in the condition report and any evidence of work undertaken on the property at the start or during the tenancy.
- Take into account damage due to fair wear and tear.
- Take into account damage due to an emergency situation where there was good cause to believe that the tenant's health and well-being was at risk.
- Consider whether ill health or inability to maintain the premises has contributed to the damage. In these circumstances the tenant is required to provide evidence.
- Consider whether the damage is a result of criminal activity such as:
  - Domestic violence
  - Other criminal activity such as break and enter or vandalism.

In circumstances of criminal activity, the tenant will not be charged if they provide evidence that they have reported the matter to the NSW Police, such as a Police statement or Police Event Number. Where a tenant provides a Police statement or Police event number, they will not be charged for the damage.

### **Repeat or serious incidents of tenant damage**

Where SGCH has sufficient evidence of repeat or serious incidents of damage that a tenant is responsible for, SGCH will immediately take action before the CTTT to obtain a specific performance order. In certain circumstances, SGCH will take action to end the tenancy.

### **Related documents/resources**

- Policy – Non-rent Charges
- Policy – Debt Management
- Policy – End of Tenancy