

**Submission re:**

**Public Housing Tenants’ Support Bill 2013 Housing Payment Deduction Scheme**

The Tenants’ Union ACT (TUACT) is a community legal centre funded by interest on ACT tenants’ bond and one of the primary providers of information, advice and education to tenants and occupants in the ACT.

The Tenants’ Union ACT welcomes the opportunity to make a submission in relation to the development of policy and strongly supports consulting in this way with stakeholders. The consequence of our experience and range of services, and close links with related organisations, is extensive knowledge of tenancy and housing issues in the ACT. While our client base is primarily private tenants and occupants, with Welfare Rights and Legal Centre undertaking the vast majority of public housing work in the ACT, we have identified issues of relevance to us, both as a member organisation and also as an organisation working to ensure there is justice and equity for all tenants in the ACT

This is a brief submission supporting points made in the consultation meeting of 18 April. The Tenants’ Union also endorses the submission made by Welfare Rights and Legal Centre and shares views expressed in that document.

We look forward to participating further in the development process.

Yours sincerely



Deborah Pippen

Executive Officer

23 April 2013

1. **Introduction**
   1. We note that the Government states that the exposure draft is intended to:

* Reduce the level of public housing arrears and debt that can be accumulated;
* Reduce evictions and abandonments from public housing;
* Make management of public housing more efficient.
  1. TUACT commends the Federal Government for its commitment to preventing evictions and possible homelessness of public housing tenants. We believe that engagement at this level goes a long way to avoiding problems that stakeholders might perceive and their clients might encounter with policies and goes a long way to ensuring that serious unintended consequences are avoided.
  2. As noted in our introductory letter, we fully endorse the submission of Welfare Rights and Legal Centre (ACT), acknowledging their vast experience with not only public housing in the ACT but Social Security legislation. We agree with the detailed issues raised and support the recommendations made. The points below highlight our main concerns.

1. **Issues**
   1. At the outset it must be clear that this proposed legislation is very problematic and we cannot support it. It appears to be an expansion of the Federal Government’s policy on Income Management, taking it a step further and devolving control to State and Territory Housing Authorities over the financial affairs of individual income support recipients. As presented, this is to be achieved without a specific requirement for reference to or involvement with either the individual tenant or even an independent determinative body such as a court or tribunal to validate alleged debts. This is of great concern to us.
   2. The punitive nature of this policy is alarming and completely fails to address the underlying goal of providing assistance to disadvantaged members of our community – that of empowering them and providing them with the tools to improve their situation and in this case successfully maintain their tenancies.
   3. “Reasonable action**” -** The lack of a specific reference to what constitutes “reasonable action” was noted at the consultation last week and we were advised that this will be clarified because the intention of the Bill is that this Scheme is a last resort and that normal recovery actions would have had to have occurred. It is our view that recovery action must be clearly defined and must include written notices and other appropriate contact with the tenant to substantiate alleged amounts, considering that this is promoted as being only a small cohort of particularly disadvantaged “at risk” tenants it would be reasonable that the bar be higher and contemplate action that addresses individual circumstances such as language difficulties, mental health issues through individual contact with tenants or even warm referrals to support services (legal and or financial).
   4. Reasonable action must also include taking the matter through the relevant tenancy tribunal or court as provided by the relevant residential tenancies legislation. It is only when alleged debts can be validated through this process that any action can then be taken.
   5. There is no references to consideration of a tenant’s individual circumstances - how long they have been a tenant; their long term rental history nor any particular current circumstances which may have affected how the arrears (or other debts) have come about; whether there are dependent children or are the sole tenant; whether other residents are in receipt of government income; or the impact of rent rebate changes.
2. **Options**
   1. Using resources to be directed to this scheme to review and improve Centrepay, and investigate an opt in system that could quarantine payments for a set time after an individual has had legal/financial advice
   2. Address the underlying problems by increasing resources to tenancy support programs including financial counselling. Increasing the focus on effective communication with tenants.
   3. We also refer you back to the Welfare Rights submission.