

Submission on Centrepay Reform

PowerHousing Australia

July 2024

PowerHousing Australia is a member network of 37 registered Community Housing Providers (CHPs) who are determined to address the housing crisis together with Government, stakeholders and partners. Our Members provide social and affordable housing to 90,000 households and 150,000 tenants across the country, with the majority being low to moderate income earners and vulnerable Australians. Our 60 Affiliate Partners are national finance investment, construction, materials, labour, software, housing data and supporting expertise who include ANZ, JLL, Macquarie Group, Metricon, Stockland, Bunnings, CoreLogic and others.

PowerHousing Australia welcomes the opportunity to provide a submission on the Centrepay Reform. Our feedback is framed in consultation with our Members.

Our key comments on the proposed Reform include:

Payment of Debt

PowerHousing Members welcome the prospect of Centrepay being used as a mechanism for tenants and ex-tenants of CHPs to pay off their outstanding rental debt. Some CHP tenants have difficulty understanding how to set up a debt repayment plan, so having this as an option through Centrepay provides ease and simplifies the ability to pay debt back. Particular states also have restrictions on their social housing, whereby to be eligible, tenants must demonstrate they are paying any debts back to be able to secure a social housing dwelling.

Maximum Limit for Deductions

While understanding the rationale behind a maximum limit for deductions to reduce risk to tenants (customers) exceeding their ability to manage daily expenses, a limit could cause other issues. In situations where there are multiple adults in a household, some may not have provided Centrepay consent and/or may not receive Centrepay. Depending on the composition of the household, one tenant may seek to pay the rent, which is based on the whole household's income, while others manage other expenses such as bills and food. A capped limit impacts a household in how they wish to pay their rent and may cause unintended consequences, such as creating rent arrears unnecessarily. In addition to impeding the freedom of tenants in households of 2 or more adults to choose how they wish to structure their rental payments, a maximum limit is also an administrative burden and additional cost to CHPs.

Appendix:

About PowerHousing Australia

PowerHousing Australia facilitates a national network of 37 registered Community Housing Providers (CHPs). Our Members are committed to addressing housing need through growth of supply, best practice in housing and community development, and excellence in tenancy and asset management. PowerHousing is based in Canberra in close proximity to the seat of Government in Australia. Working closely with our Members and Affiliates we act as the independent voice for the growth providers of social and affordable housing.

PowerHousing Australia Members

FY2025



About PowerHousing Affiliate Partners

Our 60 Affiliate Partners are national finance investment, construction, materials, labour, software, housing data and supporting expertise. This Affiliate expertise connects and collaborates with our CHPs to help support these growth providers of social and affordable housing to deliver more housing outcomes in partnership with Australian governments.

PowerHousing Australia

Principal Partner



PowerHousing Australia

Corporate Affiliates FY2025

