

CHANGES TO THE VICTORIAN RESIDENTIAL TENANCIES ACT

There are many changes coming into effect during 2020 under the Residential Tenancies Amendment Act 2018.

Most of the reforms start on 1 July 2020 but the changes in relation to pets are commencing from 2nd March 2020.

NEW LEGAL REQUIREMENTS

Starting 2 March: a tenant must ask the landlord before they keep a pet on the rented property, using Consumer Affairs Victoria's approved form the landlord cannot unreasonably refuse consent. The landlord has 14 days from receiving the request on the CAV approved form to apply to VCAT for permission to refuse, or consent is taken to have been given. Tenants who already have a pet are not affected.

The landlord can make three applications to VCAT:

- **Seeking permission to refuse consent** to keep a pet. This application is made under section 71D(1). It must be made within 14 days of receiving the tenant's request in writing
- **To make a tenant remove a pet** that is on the rental property without permission. This application is made under section 71D(2)
- **For possession of the property**, after giving a notice to vacate because the tenant didn't remove a pet within 14 days of the date VCAT ordered this to happen (sections 322(1), 262AA).

There are 132 reforms to the Act, however I have summarised below the main changes that you may be interested to know. So here is some light reading for you! But rest assured, Leading Property Group is abreast with the changes and continually undertakes training to ensure a high standard of management of your investment property is upheld.

New terms, including 'rental providers' and 'renters', to be used

The new rental laws refer to landlords as rental providers, tenants as renters, tenancy agreements as rental agreements, and rooming house owners as rooming house operators.

Pre-contractual disclosure

Before entering into a rental agreement, the rental provider must disclose to the renter whether the property is on the market for sale or is being repossessed, or if they are not the owner of the property, and information about any embedded energy network.

Unsigned rental agreements enforceable

If a renter has signed the rental agreement but the rental provider has not and the rental provider (or their agent) has accepted rent or allowed part performance of the agreement by the renter, then the agreement is enforceable.

Rental provider must provide a free set of keys for each renter

Rental providers (landlords) must provide each renter with a free set of keys or security device. Rental providers can only charge a reasonable fee for additional or replacement keys or devices.

Nuisance breach of duty notice

If a renter causing a nuisance is served a breach of duty notice but does not comply within seven days, the rental provider can apply to VCAT for a compensation or compliance order.

Quiet enjoyment breach of duty notice

If a rental provider who is not ensuring the renter's quiet enjoyment is served a breach of duty notice but does not comply within seven days, the renter can apply to VCAT for a compensation or compliance order.

Rental provider to charge reasonable assignment fees

If a rental agreement is being assigned to a new renter, the rental provider can only charge fees that are reasonably incurred by them because of the assignment of the agreement.

Excessive utility bills

Where a renter has received an excessive utility bill attributable to a hidden fault (such as a leaking water pipe), the rental provider must pay for the costs that exceed the renter's ordinary usage amounts.

Rental providers must give a valid reason to end a rental agreement

Rental providers (landlords) cannot issue a 'no specified reason' notice to vacate. To end a rental agreement, rental providers must provide a valid reason such as sale, change of use or demolition of the rental property, or rental provider moving back into the rental property.

Limiting the use of 'end of fixed term' notices to vacate

Rental providers can only issue a notice to vacate at the end of the first fixed-term of a rental agreement. This does not apply to long-term rental agreements of more than five years.

Flexible end date for fixed term agreements

A notice to vacate for the end of a fixed-term agreement can specify a date on or after the end date specified in the fixed-term agreement.

Notice to vacate for endangering safety

Rental providers can issue a notice to vacate if the renter or their visitor endangers the safety of neighbours, the rental provider or their agent, or a contractor or employee of either the rental provider or their agent.

New ground for issuing notice to vacate: threats and intimidation

Rental providers can give renters a 14-day notice to vacate if the renter, or any person occupying the rented property, has seriously threatened or intimidated the rental provider or their agent, or a contractor or employee of either the rental provider or their agent.

Clarification for notice to vacate for damaging property

A notice to vacate can be issued where a renter or their visitor, by act or omission, intentionally or recklessly causes serious damage to the rented property, including to any safety equipment or common areas.

New options for renters claiming their bond

Renters can apply to the Residential Tenancies Bond Authority (RTBA), without the rental provider's permission, to have all or part of their bond released.

Professional cleaning requirements

A term in a rental agreement can only require professional cleaning if it is needed to return the property to the condition it was in at the start of the rental agreement, taking into account fair wear and tear.

Changes to procedure for goods left behind

Rental providers must give renters notice of goods left behind and store these in a safe place for at least 14 days after giving the notice. Further detailed requirements apply for the storage, disposal, sale and reclamation of goods left behind by renters.

Calculation of compensation for termination of a fixed-term rental agreement

Rental providers can apply to VCAT for compensation if a renter terminates a fixed-term rental agreement before the end date. The amount payable will be determined based on the loss incurred by the rental provider and any hardship suffered by the renter.

Compensation for lease break

When making a compensation order in the case of a lease break, VCAT must consider the severe hardship the renter may have suffered due to an unforeseen change in circumstances, if the agreement had continued.

Rental property must be kept in good repair and reasonably fit for occupation

Rental providers (landlords) must ensure the rental property is provided and maintained in good repair and is in a reasonably fit and suitable condition for occupation. This applies regardless of the amount of rent paid or the property's age and character.

Rental minimum standards

Rental providers have a duty to ensure their rental property meets the rental minimum standards. The minimum standards will be set in April 2020.

Non-compliance with minimum standards

Rental providers must ensure that the property complies with minimum standards before a renter moves in. If a property does not comply with the minimum standards, the renter can terminate the rental agreement before they move in, or they can request an urgent repair.

Expanded definition for urgent repairs

Urgent repairs now include repairs or replacements relating to air conditioning, safety devices and any fault or damage which makes the property unsafe or insecure, including pest infestations, or mould or damp caused by or related to the building structure.

Liability for utility charges for non-compliant energy efficient replacement appliances

A rental provider is liable for the cost of supplying water, gas or electricity to the rented premises for as long as the rental provider is in breach of their duty to replace a water, gas or electrical appliance with a replacement which has an equal or greater prescribed energy efficiency rating.

New rules for renters making modifications to rented property

Renters can make prescribed modifications without the rental provider's consent. There are other modifications which a rental provider cannot unreasonably refuse consent to renters making. What qualifies as a prescribed modification will be decided by April 2020.

Records of gas and electrical safety checks

Rental providers must comply with prescribed requirements for keeping and producing records of gas and electrical safety checks conducted at the property. [Further information and pricing of service agreements to be forwarded to you in due course. There will be a requirement for servicing of gas and electrical appliances and fixtures every 2 years. The annual servicing of smoke alarms is to continue.](#)

Locks for external doors and windows

Rental providers must ensure that external doors are secured with a working deadlock and each window capable of having a lock has one. There are exceptions, for example if there is a screen door attached to an external door with a deadlock.



Rental provider joining owners corporation to repair application

Where an application is made to VCAT for a breach of duty where the alleged repair involves a problem or defect originating from the adjoining common property, the rental provider may join any relevant owners corporation as a party to the application.

VCAT to decide on terminations of rental agreements in family violence situations

VCAT can decide on terminations of rental agreements in family and personal violence situations. VCAT can terminate an agreement, or require creation of a new agreement that does not include the alleged perpetrator of the family or personal violence.

VCAT to determine parties' liability where the agreement is terminated due to circumstances of family or personal violence

When terminating and/or creating a new agreement because of family or personal violence, VCAT may apportion liability between the victim, perpetrator and any other co-renters in relation to the bond, and any outstanding unpaid rent, utility charges and damage.

VCAT can determine bond liability in family or personal violence circumstances

When considering an application for the repayment of a bond, VCAT will be able to determine that a renter who is a victim of family or personal violence is not liable for any loss or damage caused by the actions of the alleged perpetrator (who is not a renter).