

Residential Tenancies Changes – March 2021

*Tenants are now known as Renters
Landlords are now known as Rental Providers*

Rental Applications

When a Renter is applying for a rental property, we can no longer request bank statements containing daily transactions, whether or not the applicant has been previously involved in legal action (VCAT) with a previous agent or their bond history.

Bonds

A maximum bond cannot exceed one month's rent unless the rent is more than \$900 per week.

Keys

The Rental Provider is required to provide each renter who is listed on the Rental Agreement with 1 set of keys at the beginning of the tenancy.

Rent Increases

The rent cannot be increased more than once every 12 months – this was previously 6 months.

Utility bills & faults

If there are excessive utility bills as a result of a property fault, the Rental Provider must reimburse the difference to the Renter.

Pets

A Renter can keep a pet with written consent from the Rental provider. A Rental Provider cannot unreasonably refuse a Renters' pet application and they must respond within 14 days. A Rental Provider can apply to VCAT for a pet exclusion order in some cases.

Selling a Rental Property

If a Rental Provider wishes to sell the property, the Renter must be provided with an 'Intention to Sell' form. Sales inspections can only occur once 14 days have passed from Intention to Sell form being served. Renters are entitled to compensation per sales inspection - compensation is to be either half the daily rent or \$30 – whichever is greater.

Urgent Repairs

The Renter is now able to spend up to \$2500 (up from \$1800) on any urgent repair without consulting the agent or Rental Provider.

Air Conditioning, mould (if caused by building defect), pest infestations, safety related devices i.e., smoke alarms & pool fences and failure to comply with Rental Minimum Standards are now considered urgent repairs in addition to the current list of urgent repairs.

Gas & electrical safety

Rental Provider must ensure all electrical & gas appliances are checked every 2 years by a licensed & registered electrician/ gas fitter. If an electrical safety check has not been conducted in the last 2 years, a Rental Provider must arrange an inspection as soon as practicable

The date of the most recent inspection must be provided to Renter prior to them signing a rental agreement.

Heating

A heater must be fitted in main living area if there is no central heating - if not fitted on or before March 29, 2021, an energy efficient heater must be fitted.

Smoke Alarms

Smoke alarms must be working and installed correctly, and they must be tested every 12 months. A Rental Provider is required to replace batteries and any hardwired alarms must be serviced by a qualified tradesperson. These are considered urgent repairs.

Cleaning

A Rental Provider cannot ask a renter to arrange professional cleaning UNLESS the property was professionally cleaned immediately before the tenancy and the Renter was advised professional cleaning had been carried out OR professional cleaning is required to restore the premises to the same condition it was immediately before the tenancy, taking into consideration fair wear & tear.

Renter Modifications WITHOUT consent

A Renter may do any of the below without seeking permission from their Rental Provider.

- Attaching child safety devices, such as blind or cord anchors, pressure-mounted child safety gate and adhesive child safety locks on doors and drawers (must have permission if on brick/concrete)
- Installing picture hooks or wall mounts (must have permission if on brick/concrete)
- Water efficient shower heads – original must be kept
- Replacement or installation of curtains/blinds – original must be kept
- Increasing the energy efficiency of the house with new LED globes
- Securing gates, doorbell (wireless), window tint (non-permanent), letterbox lock
- Security lights, alarm systems and cameras that do not impact the privacy of neighbours, can easily be removed, and are not hardwired to the premises

Renter must return property to the same condition prior to the modifications.

Renter Modifications WITH consent

A Rental Provider cannot unreasonably refuse the following.

- Fixtures, brackets, hooks etc on exposed brick or concrete walls
- Draft proofing
- Installation of security systems by qualified persons
- Flyscreens on doors and windows
- Vegetable/herb gardens
- Installation of letterbox
- Painting
- External gates

Renter must return property in condition prior to modifications unless otherwise agreed with Rental Provider.

Ending an Agreement

The 'No specified reason' - 120 Notice to Vacate has been abolished and we can no longer serve this.

We can only serve an 'End of Fixed Term' (90 day) Notice during the 1st fixed term agreement. This Notice can have an expiry on or after the lease end date.

When serving a 60-day Notice to Vacate for Sale, Demolishing, Renovations/Repairs or Rental Provider to move in, evidence must be attached to this Notice to Vacate. I.e., building permit for demolishing or Sales Authority for Sale.

Break Lease Fees

Break lease fees have now been legislated as the full advertising fee, pro rata letting fee and rent ongoing until a new Renter is secured or the end of the lease term, whichever is sooner.

Arrears

When a Renter pays back overdue rent within 14 days', any Notice to Vacate issued by the Rental Provider for that overdue rent is invalidated. This applies to the first four times in a 12-month period.

If the Renter fails to pay rent on the fifth occasion in the same 12-month period, the Rental Provider can serve a Notice to Vacate and apply to VCAT for a possession order.

VCAT

VCAT will test each possession hearing to see if it is 'reasonable & proportionate' - they will look at nature, frequency, reasons, the cause and rectification or if it can be remedied, who it affects, the behaviors of the Rental Provider, Agent & Renter, and if there are any other solutions.

The purpose of this is so eviction is the last option.

In the case of arrears, VCAT may adjourn an application and refer the Renter to financial counselling. They may have the financial counselling service advise if the Renter can adhere to a payment plan or enter the Renter into a payment plan themselves.