

As this is stated to be the last of the issues papers and is aimed at two areas of the RTA that most landlords do not have exposure to I only have a couple of thoughts relating to rooming houses as there is some commonality with standard tenancies whereas Caravan Parks while in some cases providing residential accommodation predominately in some metropolitan areas are quite specialised while also being in the tourist/travel industry.

The whole definition of a rooming house would appear in many cases to apply to a lot of what currently happens as a matter of course within the sector.

The definition states

A 'rooming house' is defined under the Act as a building in which there is one or more rooms available for occupancy on payment of rent—

- *in which the total number of people who may occupy those rooms is not less than four, or*
- *the building has been declared by the Minister of Housing to be a rooming house.*

This would appear to include any home rented to a group of friends (or casually acquainted associates) who decide to go flatting together and could easily number more than four especially renting one of the now standard Mc Mansions of 4 or more bedrooms.

It could also apply to a house rented by a family group whose cultural norm is to have a number of extended family also share that tenancy with them.

A standard house owned by a family who chooses to home host paying international students and has more than 3 staying at one time.

It appears to be a very loosely or even obscurely worded definition which would be very hard to implement/police, plus would you then seriously require them to do all the rooming house stuff of licensing, disabled access and locks and numbers on doors – in a family home?!? There has to be a more sensible way to manage this.

Secondly the focus of this review process is Fairer Safer Housing and while this paper addresses areas that are not what most people consider a normal tenancy (there do not appear to be any numbers provided) the fact that they exist indicates that there is a need in the market for them. Just as with standard rentals Victoria needs to be careful of bringing in changes in legislation that makes them un-viable which in turn will place a further burden on the government and support organisations to house people who currently call these places home, which will not be a Fairer or Safer outcome!

Reading through the many papers and supporting documentation and despite there being a huge amount of thoughts and suggestions about what could be introduced or changed it appears that there

are two main issues that show up from both statistics (VCAT cases 91.7% Landlords 6.6% Tenants) and anecdotal responses (Facebook mostly from tenants)

From the tenants perspective the biggest issue is with Landlords not maintaining properties and/or not responding in a timely fashion to urgent and non urgent repairs. This sometimes leads to tenants feeling that they have been given a no reason notice to vacate as retribution for requesting these repairs.

From the landlords/agents point of view the main issue is with payment of rent which does have associated issues of damage and loss of rent claims on bonds etc and causes the majority of cases at VCAT.

In both cases the overwhelming majority Landlords 77% & Tenants 84% (from the EY Sweeney survey) would consider a less formal dispute resolution process than VCAT, which all of the submissions from both landlords and tenants seem to dislike and has ridiculously legalistic appeal processes to the Supreme Court – seems like overkill!

In a lot of these cases it would appear that if there had been an effective monitoring/communication system in place a less formal process could easily resolve or eliminate altogether the need for escalation of situations to the likes of VCAT. This system which I have mentioned before would be an end to end online system (yes with a paper based backup for those not computer literate) that would enable both tenants and landlords to effectively process and record the various steps in their interactions together.

Take the following scenarios.

Benefit to Tenant

Jo & May want to rent a home off Bob (or his agent) and both parties are registered with the new system which has its own App (an extension of Rent Right?).

Jo & May love the house and go home to fill out an online application in about 10 minutes which gives Bob the authority to check the references they provide.

They are approved and the online RTA agreement is sent by Bob which they electronically sign after agreeing to the standard items that are currently there.

They lodge the bond electronically without having to get a bank cheque and posting it and both parties get an instant receipt. This single change would address numerous issues experienced today

- no agent or landlord gets to touch the money at this point, thereby avoiding the situation where landlords don't lodge bonds, the object of some VCAT disputes.
- The tenant does not have to go and get as well as pay for a bank cheque as forced to by most agents even though the RTBA accepts private cheques.
- On refund of the bond the agent and tenant are have unique identifiers which

removes delays due to the RTBA not accepting signatures that may have changed over many years of occupancy.

- Speed, the average wait time for a AusPost delivery is now up to 10 days (I have had 7 days for a delivery of less than 1km)
- If an individual property manager has left an agency this would remove the need to find that person as the signing agent which can also cause major delays in bond refunds.

The condition report is generated with photos by Bob and Jo & Mary check it off, note various items that they have noticed since moving in (which Bob does not realise as he does not live there) with some photos of their own, which they think more accurately show some existing issues.

Two weeks after moving in the Hot Water Service breaks down and they immediately notify the agent/landlord by the App, this change would address numerous issues tenants experience today.

- The agent (and I would suggest the landlord) get immediate notification by the App as well as getting back messages by email and text so no doubt that the request has been made & received
- The App also lets the tenant know the legislated time frames for both urgent & non urgent repairs and the agent/landlord is also reminded of their responsibility to take appropriate action.
- Any communication backward and forward is recorded as evidence if required.
- If the work has not been actioned within acceptable time frames the matter can easily be referred to CAV for intervention.
- CAV could then take pre-emptive action by phone with the landlord/agent without needing to escalate to a site inspection (quicker response times)
- Any landlord appearing regularly in this process is going to have a hard time getting away with shoddy properties and maintenance.
- If the issues have to go to VCAT there will be an audit-able trail

At the end of the tenancy Jo & Mary are moving to a new job/area and while funds are tight if they have done the right thing and looked after the property (there is an easily retrievable condition report and photos for them to reference) then the bond could be returned within hours of the final inspection which will reduce financial stress. Currently with AustPost service delays this could take weeks counting weekends and a slow agent process

Benefit to Landlord

Fred rents his house to John & Dave using the same initial processes outlined above but during the tenancy Fred has had to remind John & Dave on five occasions to pay the rent and then on the first inspection it is noted that there has been no gardening or cleaning carried out and that the property is in poor condition.

Fred notifies John & Dave via the App with photos (which backs up by sending an email and text) that they are not fulfilling their obligations to keep the property in clean condition and that they need to remedy.

Things do not go well and eventually Fred requests that he be granted possession, someone from a dispute resolution process looks at the communication/photos, checks by phone with both parties and if there is no dispute from John & Dave (hard to do if clear photos and communication have been provided) grants Fred's request and issues the appropriate order.

When Fred then claims against the bond for damage/rent arrears there is less likelihood of a further dispute and any further claim against John & Dave can be kept on record.

The technology already exists to enable this to happen and parts of it even exist within CAV right now and just need to be integrated to make it happen

Overall what ever direction this review takes it's important to manage the system – legislation, regulation and disputes – for the MAJORITY which currently works and not the MINORITY which cause most of the current issues with safeguards to address any rogue practices e.g. unregistered rooming houses and tents on balconies

Anything that makes the overall system simpler, easier to understand, and more effective (cost and outcome) for both tenants AND landlords is beneficial for everyone

This will free up resources in advocacy agencies, CAV and VCAT to then address the more unsavoury parts of the market rather than trying to micromanage the vast majority of the market that is working reasonably well.

This process should be all about streamlining the processes for both good tenants and landlords which are the majority currently rather than creating an overly burdensome process to address the small number of bad tenants and landlords. Once the streamlining process is established the resources freed up should be used to fund community housing providers to support the vulnerable and disadvantaged people in our community to access appropriate housing.