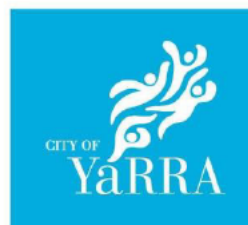


In reply please quote: D19/235300

Contact: [REDACTED]



19 December 2019

Regulation Policy and Governance Services  
The Department of Justice and Community Safety

Office of the Mayor  
and Councillors

Yarra City Council  
ABN 98 394 086 520

By email: [rentalreforms@justice.vic.gov.au](mailto:rentalreforms@justice.vic.gov.au)

[REDACTED]  
T [REDACTED]  
[REDACTED]  
yarracity.vic.gov.au

To Whom It May Concern,

### **Submission regarding proposed changes to the Residential Tenancies Act**

Yarra City Council welcomes the Victorian Government's efforts to address inequities and improve conditions for our many renters through the proposed Residential Tenancies Regulations 2020, which are intended to be made under the *Residential Tenancies Act 1997* (the RTA). Further to this, Council supports the amendments proposed by Tenants Victoria and strongly urges the Victorian Government to consider implementing these recommendations, which would enhance and strengthen the proposed regulations.

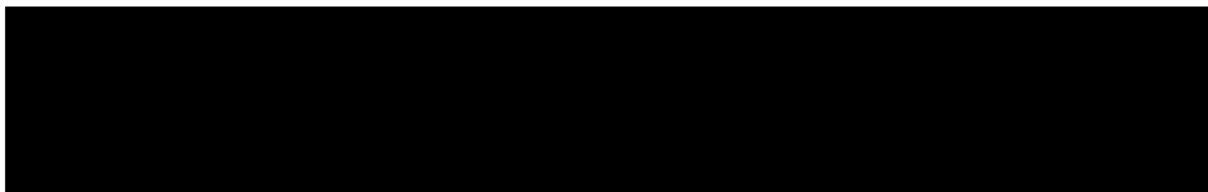
The regulatory changes proposed by the State Government provide a valuable opportunity to examine and redress the unequal impact of rental legislation on the lives of Victorians. Renters comprise the majority of households in Yarra, and it is important to Council that these residents be afforded the same rights and standards as property owners. Everyone is entitled to enjoy secure, healthy, and safe long-term property tenure in their homes.

Within Yarra there has been a considerable decline in householders who own their homes, and Council has seen a long-term trend of household tenure shifting towards greater numbers of private rental arrangements. From 1996 to 2016 the number of households renting privately increased by almost 6,000, which is a 58 percent increase in 20 years.<sup>1</sup> As a result, close to half of all apartments and units in Yarra are now rented privately, and a large proportion of these properties are leased within the highest rental quartile, with tenants paying more than \$417 per week. It is a matter of increasing urgency that the value renters bring to our communities and the economy is recognised fully, and the inequities between owners and renters are properly addressed.

Council has identified a number of priorities within the proposed regulations that could be amended to enhance tenants' rights and safety, with minimal cost to property owners. Additionally, there are environmental and accessibility standards that should be considered an imperative.

#### **Affordability**

Renting a place to live needs to be redefined. Renting shouldn't mean second best – it should not equate to poor amenities, hazardous fixtures, unreliable maintenance, insecure tenure and unreasonable pricing. It should be an attractive and secure option for those households who choose to rent or have no choice but to rent.



The power balance between renters and rental providers is, and has traditionally been, strongly weighted in favour of property owners. In the current market, the availability of rental properties at a reasonable, affordable price is extremely limited – particularly for people in vulnerable circumstances, which is an expanding demographic.

To rent a home, many people place themselves into an ongoing situation of financial stress. In 2016, 15.2 percent (or 6,065) of Yarra's households were in housing stress. This is based on very low, low and moderate income households<sup>2</sup> spending more than 30 percent of their income on housing costs. For rental households specifically, this figure increases to 25.9 percent, as compared to 11.5 percent of households with a mortgage.<sup>3</sup> That equates to *one-in-four rental households* experiencing housing stress in Yarra.

In Yarra, particular household types are more susceptible to this situation. Lone person households in the area are more likely to be in housing stress, with close to one-in-four of this household type in stress (2,712 households). This is compared with one-in-eight family households (1,114), and one-in-fifteen couple only households (676).

This power imbalance, brought about by the impacts of long-term federal and state government policies and an undersupply of affordable rental properties, means that renters are frequently left with little choice but to accept any offer of housing, whatever the terms of the lease or condition of the property. Unscrupulous landlords can easily take advantage of this situation, and it is the role of government to level the playing field.

## **Safety**

### *Modifications*

Council supports the proposed regulations that will entitle renters in Victoria to make modifications to improve the safety, security and liveability of their home. Everyone is entitled to expect that their home can be readily made safe and secure through the processes of modification enabled by the new regulations. Additionally, renters should feel confident that they know enough about the property to understand the dangers and what modifications or repairs are required for their wellbeing. With more people renting their homes and remaining in the rental market longer, the capacity to make appropriate modifications is increasingly vital.

### *Building information*

Everyone should be physically safe within their home. Just as buyers receive mandatory pre-disclosure information before purchasing a property, renters should also receive pre-disclosure information about significant structural and environmental issues so that they may make an informed decision and identify any problems prior to signing a lease. In particular, issues such as mould and damp are dangerous and can have a serious impact on health.<sup>4</sup> At a minimum, any prior treatment undertaken for these issues at a property should be disclosed. Council supports Tenancy Victoria's recommendation that pre-disclosure information about the property be made available to prospective tenants and that mandatory minimum standards of building ventilation be implemented by the property owner.

---

<sup>2</sup> As defined in Section 3AB – Specifications of Income Ranges in the Planning and Environment Act 1987 for Greater Capital City Statistical Area of Melbourne.

<sup>3</sup> From .id Consulting Report (2019) 'Analysis of Housing Demand and Affordability', based on data from ABS Census of Population and Housing, 2016.

<sup>4</sup> State Government of Victoria (2018) 'Mould and your health', Better Health Channel, available at: <https://www.betterhealth.vic.gov.au/health/conditionsandtreatments/mould-and-your-health>

## Security

Renters must be able to make their house a secure home for themselves, their families and their pets. To secure the property requires the ability to install locks on external gates or windows, attach window coverings, anchor heavy furniture to walls, and childproof low cupboards. In particular, people who have escaped family violence must be able to readily and quickly modify their home to ensure their security in dire, time-sensitive circumstances. These modifications may include lockable post boxes, gates, or security cameras. All appropriate security measures should be permitted without the requirement to seek consent from the property owner.

Council notes that regulation 26(a)(i) allows picture hooks, brackets, and shelves to be installed without prior permission from the landlord, but only where the surfaces are not brick walls. It is unreasonable to assume that a renter will always be able to tell whether a surface is or is not brick. This is also an example of where mandatory pre-disclosure becomes important, as there is a possibility that renters in older properties could encounter asbestos. The interaction of regulations in such situations should be considered and aligned to ensure that the new regulations are seamless and can be applied without confusion or contradiction.

## Accessibility

International research suggests that there is a 60 percent chance that a new home will be occupied by a person with a disability at some point.<sup>5</sup> Almost one in five people in Australia live with disability (18.3 percent or 4.3 million people), and a further 22.1 percent of Australians have a long-term health condition.<sup>6</sup> Of those people living with disability, just over half (50.2 percent, or 2.2 million people) use aids or equipment to support their functionality and independence. Add to this the fact that each of these people is likely to have at least one family member or friend who is concerned with accessibility in their own homes, and it becomes clear that having the capacity to make modifications for accessibility affects the liveability of homes for the vast majority.

The 2016 Census recorded that 3.5 percent of the Yarra population (slightly more than 3,000 people) need assistance with their day-to-day lives due to disability. Basic modifications to facilitate accessibility, such as installing grab rails in wet areas or by entry points, securing a shower chair, and anchoring furniture to brick walls, should be able to be made without question and be understood as a priority within the new regulations. Such modifications are minor to the property but have a significant impact on the liveability of a premises.

People with disability who need to make modifications should be exempt from having to return a property to original condition, as these changes enhance the overall liveability of a home for a number of demographics. Accessible design modifications are applicable in a range of other situations, including for:

- people who sustain a temporary injury that limits mobility,
- older people, and
- families with young children.

---

<sup>5</sup> Smith, S, Rayer, S, & Smith, E (2008) Ageing & disability: 'Implications for the housing industry and housing policy in the United States', in *Journal of the American Planning Association*, 74:3, 289 – 306. As referenced in *Livable Housing Australia* (2012), *Livable Housing Design Guidelines*, second edition.

<sup>6</sup> ABS (2016), 'Disability, Ageing and Carers, Australia: Summary of Findings, 2015', available at: <https://www.abs.gov.au/AUSSTATS/abs@.nsf/Previousproducts/4430.0Main%20Features202015?opendocument&tabname=Summary&prodno=4430.0&issue=2015&num=&view=>

## Sustainability

The introduction of the mandatory regulation for property owners to install appropriate heating at rental premises is long overdue. The City of Yarra recognises that there is a climate emergency.<sup>7</sup> Our planet's climate is changing, with dangerous heatwaves, record-breaking winters, droughts, storms and flooding becoming more intense and destructive. The magnitude of the climate emergency means that incremental change or a business-as-usual response is no longer adequate. To this end, the proposed regulations regarding heating installation should be extended to require installation of appropriate cooling appliances. Soaring temperatures pose a critical danger for many of our residents – children, older people, and people with disability or illness are all extremely vulnerable to climatic extremes. The minimal expense of this life-saving measure is well justified and should be implemented without delay. Last summer was Australia's hottest on record, with temperatures of up to 46 degrees recorded in Greater Melbourne, and patterns such as this look set to continue.<sup>8</sup>

Further to this, renters are at much greater risk than property owners of facing energy bills they cannot pay. This is due to a lack of control over the energy efficiency of both the installed appliances and the rental premises itself.<sup>9</sup> Particularly given the high proportion of renters already under financial stress from rental affordability, people in rented homes should not be subjected to using outmoded, energy-sapping appliances or fittings, and facing subsequently high utility bills simply because they do not own their homes. Raising the required efficiency of gas and electrical appliances to a mandatory three-star level, rather than the proposed two-star minimum in regulations 24(1)(c) and 24(1)(d) would align energy efficiency with the water efficiency requirements of regulation 24(1)(a)(i). Rental owners should also be required to meet a minimum standard of insulation and draft prevention for their properties.

To conclude, on behalf of Yarra Council, I congratulate the Victorian Government for creating the opportunity to address social and economic inequities. While Yarra Council supports the proposed regulations, we urge the Minister to consider all of the points made in this submission, and to implement the additional recommendations by Tenants Victoria.

Should your office have any queries or require further information please contact our Director Community Wellbeing, [REDACTED] on [REDACTED] or via email at [REDACTED]

Yours sincerely,

[REDACTED]

Cr Misha Coleman  
MAYOR

cc: [REDACTED] *Tenants Victoria by email:* [REDACTED]

---

<sup>7</sup> Yarra City Council (2018), 'Climate Emergency: we commit to urgent action', news item available at: <https://www.yarracity.vic.gov.au/news/2018/12/21/climate-emergency>

<sup>8</sup> Bureau of Meteorology (2019) Climate Summaries available at: [http://www.bom.gov.au/climate/outlooks/?utm\\_source=yt&utm\\_medium=org&utm\\_campaign=sm-001-0087&utm\\_content=vid#/overview/summary](http://www.bom.gov.au/climate/outlooks/?utm_source=yt&utm_medium=org&utm_campaign=sm-001-0087&utm_content=vid#/overview/summary)

<sup>9</sup> Azipitarte, F. Johnson, V and Sullivan, D (2015) 'Fuel poverty, household income and energy spending: An empirical analysis for Australia using HILDA data', Brotherhood of St Laurence, Melbourne.