

# Victorian Caravan Parks Association

Response to the Rent, Bonds and other Charges Issues Paper



30 March 2016

## **Response of the Victorian Caravan Parks Association (VicParks) to the Rent, Bonds and other Charges Issues Paper**

The Victorian Caravan Parks Association appreciates the opportunity to comment on this paper.

### **Bonds**

Broadly, the caravan park sector does not use bonds in setting up agreements for tenancy with Part 4 and Part 4A resident, and these are not a feature of the tenancy arrangements within the sector.

Therefore Questions 1-13 do not apply in general to the caravan park sector.

### **Rent**

Again, many of the issues raised in this Paper do not apply to the caravan park sector

*14. What issues arise from the way in which the provisions for rent and other charges in the Act balance the interests of landlords and tenants?*

VicParks believes that the current Residential Tenancies Act provides adequate safeguards for both the tenant and landlord in providing for a maximum of two rental reviews per annum. The VicParks Part 4A Agreement further requires that the site tenant be advised in advance when signing the Agreement of the method by which site fees are to be reviewed and increased – CPI, market adjustment or other fixed percentage rates.

Whilst we appreciate that some of the Review questions were informed from preliminary meetings with various stakeholders during preliminary consultation, it is our view that the caravan and residential park sector have well-regulated procedures in place that ensure fair and equitable outcomes for both landlords and tenants.

*15. Limit to rent charged in advance*

The Act currently places a maximum limit of 14 days' rent in advance for the site, and 28 days' rent for the dwelling. We believe this section of the Act works well and does not need amendment. Rent in advance is not a universal feature of tenancy agreements in this sector. Where it is required, it is generally for a week or a fortnight, to protect the landlord from tenants who void the agreement and leave the park with rent in arrears. Where the tenant also leaves behind large goods such as a caravan or other dwelling, there can be an extended time where the park owner is unable to derive income from the site until the required procedures for possession of the site are followed and concluded, or where there is cleaning and maintenance of the owner's dwelling to be managed. An advance payment of 1-2 weeks is a reasonable protection against such events.

Thank you for your consideration of these comments.

Yours sincerely



Elizabeth White  
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Victorian Caravan Parks Association