



18 December 2019

Department of Justice and Community Safety
GPO Box 4356
Melbourne VIC 3001
Via web portal: <https://engage.vic.gov.au/rentingregulations>

Re: New regulations for rental housing

Thank you for the opportunity to respond to the proposed new regulations for rental housing.

VicWater is the peak body of the Victorian water industry with its membership comprising Victoria's 19 statutory water corporations. Victorian water corporations are responsible for the provision of urban water and wastewater services, rural water supply including irrigation and related drainage services.

Our submission relates to the rental minimum standards proposed through the draft regulations.

For over 15 years, the Victorian water industry has encouraged the use of water-efficient appliances via product delivery, such as the free exchange of low for high efficiency shower heads, and community education on the choice and use of such appliances.

We are pleased that the proposed regulations for rental housing include a minimum standard (in Schedule 4) of 3-star water efficiency for showerheads, which is supported by the water industry and consistent with the Government's Energy Saver scheme.

We support the proposed requirement for a landlord to ensure that if an appliance, fitting or fixture provided by the landlord that uses or supplies water at the rented premises needs to be replaced, the replacement has a minimum 3-star rating (including showers, toilets, taps, dishwashers etc.; Regulation 24).

We also encourage the inclusion of a minimum efficiency standard for toilets in Schedule 4. After showers, toilets on average use the highest volume of water within the home. Research undertaken by our metropolitan members reveals that approximately 20% of owner occupiers and 25% of tenants still have a single flush toilet in regular use.

The proposed regulations include a list of modifications that a tenant can make without the landlord's consent (Regulation 26). We would encourage the inclusion of provisions that permit tenants to change their own shower heads to more efficient models.

We recognise that installation of low flow showerheads is currently included under Regulation 28, 'Modifications for which residential rental provider must not unreasonably refuse consent'. However, we

are concerned that there is no timeframe within which the rental provider must respond. We suggest a minimum timeframe be included in the regulations.

To provide additional benefits to tenants, we also encourage education of tenants to use more efficient products than those stipulated in the proposed regulations.

Some of our members through their exchange programs have issued 4-star shower heads, which are up to 15% more efficient than 3-star shower heads. However, these programs have been unable to effectively target tenants, because tenants were not permitted to change their own shower heads without the landlord's consent. This is a considerable barrier to an effective program.

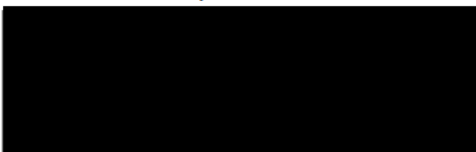
According to the latest research conducted by our metropolitan members, 40% of tenants versus 25% of owner occupiers still have inefficient showerheads. This finding indicates that changing shower heads within rented premises to more efficient models could have a significant impact on water and energy usage across Victoria should landlord consent be removed as a requirement of tenants. In cases where landlords may be concerned about modifications to the property, it is relatively straightforward to reinstate a previous shower head at the end of the tenancy. We believe the level of effort and expertise would be comparable to that required for the removal of furniture affixed to walls, which is permitted in the proposed regulations.

Under the current proposed Regulation, minimum standards do not apply to tenancies commenced prior to 1 July 2020. We recognise there are challenges associated with requiring the full suite of minimum standards to apply to all rental properties. However, we also recognise that it is fair and reasonable to expect these minimum standards to be met for all tenants. We encourage consideration of a grace period for minimum standards to be implemented in rental properties rather than the current proposal that is not retrospective.

By making these proposed amendments to the regulations, tenants and landlords will operate more sustainable homes, thus reducing the usage of Victoria's drinking water while moderating carbon emissions that will support the attainment of our Government's climate targets.

Please contact the undersigned [REDACTED] should you like to discuss any of the points we have raised in greater detail.

Yours sincerely



Peter Morison
Chief Executive Officer