ELLEN SANDELL
STATE MP FOR MELBOURNE

10 February 2017

Fairer Safer Housing
Residential Tenancies Act Review
MELBOURNE VIC 3000
http://fairersaferhousing.vic.gov.au/renting

Dear Residential Tenancies Review Panel

**Re: Review of the *Residential Tenancies Act 1997***

Thank you for accepting my submission the review of the *Residential Tenancies Act 1997.*

As the State Member for Melbourne and The Greens spokesperson for housing and Consumer Affairs; I have surveyed my constituents about their experiences on renting in my electorate.

My constituents have had similar experiences, the top issues were:

- Excessive or frequent rent increases and generally unaffordable rents
- Lack of minimum standards for rental properties
- Maintenance issues
- No provisions for tenants to enter into longer term leases
- Unfair evictions

We believe there are several possible solutions that could fix and limit a lot of these issues, such as:

- A limit on rental increases during a set period or some form of rent capping
- Minimum standards for the conditions of rental properties
- Increased funding to tenancy support services
- Options to enter into longer term leases
- Ending 'no-grounds' evictions
- Longer notice to vacate requirements for long-term tenants.

My constituents have asked me to submit their stories of renting in Melbourne to the review on their behalf. My constituents have experienced the following issues with rental properties:

ELLEN SANDELL
STATE MP FOR MELBOURNE
t: (03) 9328 4637 e: office@ellensandell.com
146–148 Peel St, North Melbourne VIC 3051
/ellensandell.mp
@ellensandell
ellensandell.com

MADE WITH 100% RECYCLED POST-CONSUMER WASTE

When leaving my last rental I was never able to obtain my share of the bond from my former roommate. Agents were of no help, said it has to all be managed privately.

**

I was living in an apartment and was officially informed that the lease would terminate at the end of the fixed term agreement. I went about my way to find new accommodation, under the belief that the owner would be moving into the place, or having a family member move in. Close to the end of the lease, we started receiving notices that they would be holding open for inspections.

We were surprised. We never wanted to move, we like the apartment, and were clean, diligent tenants. It turns out they wanted to put the rent up $45 per week, which is why they wanted us out of there and new, unsuspecting tenants in.

We were house hunting but couldn't find anywhere on par - of size, location, or value, even at the heightened price - so we asked if we could sign on for another year. They agreed, as long as we paid the new rent (it went from $575 to $620) and they asked us to pay the advertising costs of $300. We weren't stupid enough to pay the advertising costs, but we did re-sign at the higher price. We feel totally ripped off. But at least we had secure accommodation for another year.

**

Estate agents and landlords are - clichéd but true - quick to raise the rent, slow to maintain the property or answer emails. Arbitrary price-rises and invasive / aggressive property managers who photograph your belongings and interior of the property (sometimes for advertising purposes) are the norm in my experience.

**

[I] have had numerous difficulties with excessive rent rises year on year in multiple dwellings. Renters are not protected sufficiently under the law - the landlord is always considered 'right', you're in an inherently inequitable power relationship to begin with, and you live in fear that you might be kicked out if you make complaints or don't do everything the landlord wants you to. It's a terrible situation and puts so much pressure on renters financially, mentally and emotionally.

ELLEN SANDELL
STATE MP FOR MELBOURNE
t: (03) 9328 4637 e: office@ellensandell.com
146–148 Peel St, North Melbourne VIC 3051
/ellensandell.mp
@ellensandell
ellensandell.com

MADE WITH 100% RECYCLED POST-CONSUMER WASTE

Rent affordability is a massive issue. I should not have to pay $400 per week for a home.

**

Improve security for tenants, especially when properties are bought/sold. Enable longer term leases or guarantees of long-term tenure. One of the worst things about renting is that very often you can only expect 12-24 months at a property. (I have PTSD, it took me 6 months to pack to move from our flat - being asked to leave at the timing of an owner would be devastating to me.)

**

I am 23 yrs old and still live with my parents due to extortionate rent prices. We have had some good experiences renting (besides the cost) but 6 monthly inspections despite renting the same property for years and having no issues seems excessive. Perhaps there could be a way of doing yearly inspections instead if all seems fine?

**

I worry when I am older and no longer working. The house I am in now I have been for about 6 years and they love having me and have kept the rent down for me. But this won't go on and on forever - I am 57 - where am I to live for the rest of my life? I can never afford to buy- but i want a home for children and grandchildren to come and stay - I want a home like the one I am in now, not a one bedroom unit. I am so stressed for the day when the owners decide they might want to sell or whatever.

[I'm} finding it especially difficult to find affordable share housing in inner-city Melbourne. Every house I've lived in the last 4-5 years has increased the rent yearly, without maintaining the house. To the point where the place we're currently at we're paying more than the house is worth, though proportionate to the area. Black mould, leaking ceiling, leaky taps, old paint, broken kitchen stove, windows.

**

No security door in foyer that we have asked for. We have an old apartment with relatively low rent. Our primary issue has been finding affordable housing so that we can move on.

**

We spend about 50% of our disposable income on rent for a 1 bedroom
eally difficult to save for anything.

**

I have had problems with some maintenance on fly screens. All fly screens in my current house are ripped and full of holes. In summer this is especially a problem with bugs coming inside the house. When I asked the landlord to fix them, they basically said they didn't have to. I think fly screens and little things like that are so important in making a home that bit more comfortable.

**

My kids ALL struggle to get a house. Low wages slow council processing of building applications, dodgy quality. [There is] no supervision by councils of standards.

My landlord came onto the property, without my knowledge. He left the front door wide open for approximately one hour and in that time my dog got out and disappeared.

**

My landlord knew I had a dog (he gave me written permission to have a dog on the property) but he was careless and our dog is still missing. We are devastated and unsure if we can take legal action?

Also, in July 2016 our toilet stopped working. The sewerage water was coming up through the drain in our bathroom floor. It was disgusting. It took four days before he arranged for a plumber to come out and take a look. We were unable to shower and use the toilet at home and had to stay at friends places.

We rent privately and my landlord comes around once a month and collects cash. He will not let us pay rent via electronic transfer and he hasn't once provided a receipt for the rent paid.

**

My agent does not respond in a timely manner. They hassle the owner to increase rent, even though he is happy with current agreement. The carpets are awful, and need to go. To use the oven, we need to hold the knob down using sticky tape. We have a tap that is too short for the sink in the kitchen.

**

It is always the tenant's responsibility to continue to follow up repairs requests despite the real estate being well aware of the request.

**

ELLEN SANDELL
STATE MP FOR MELBOURNE
t: (03) 9328 4637 e: office@ellensandell.com
146–148 Peel St, North Melbourne VIC 3051
/ellensandell.mp
@ellensandell
ellensandell.com

MADE WITH 100% RECYCLED POST-CONSUMER WASTE

Looking for an apartment near the city suitable for a family [is very difficult]. All too small / poorly designed. [It] took 2 years of searching to find one.

**

On moving out, Real Estate Agent wanted us to pay hundreds of dollars in cleaning fees even though we left it clean. Ended up at Tribunal and we won, such an unnecessary hassle.

**

Rent rising every lease renewal (in the past, not currently), real estate agents uncontactable, avoiding our calls. Being sent notice that we didn't have an active lease even though we got signed copies and multiple letter confirmations that we had months ago.

[I've experienced] difficulty in getting rental properties because of number of people attending inspections. Having to offer more rent per week or more money up front in order to secure a place. [Also] having multiple inspections a week interrupting daily life [is difficult] when owners were selling a place.

**

When gauging my constituent's experiences of renting in Melbourne I also asked what improvements they or suggestions they had for improving renting in Melbourne.

Their suggestions are included below. Please note, the responses are verbatim except where minor grammatical errors have been corrected.

Address affordability and supply problems to give renters more options.

**

We desperately need three things:

1- Rents to be regulated at prices that anybody can afford.
2- Long term leases with guaranteed Tenure and rent increases limited to a maximum of CPI or 5%, whichever is lower.
3- No more than one rent increase in any 12 month period.

**

The rental system at the moment treats tenants the same way as if they were going for a job - first in best dressed. This is not good enough, forcing people to compete for housing.

**

ELLEN SANDELL
STATE MP FOR MELBOURNE
t: (03) 9328 4637 e: office@ellensandell.com
146–148 Peel St, North Melbourne VIC 3051
/ellensandell.mp
@ellensandell
ellensandell.com

MADE WITH 100% RECYCLED POST-CONSUMER WASTE

Limit rent rises to rise in wages and pensions (whichever is lower), limit landlord's right to push up rents by gentrification, stop landlords from evicting tenants without good reason, create Public Housing for all who want it, reduce rents in Public Housing to 15% of income, limit rent in PH to $200 per week per person, stop subsidizing Community Housing.

**

Longer term rental contracts. Limiting rental increases, but not to the current inflated house prices. Remove negative gearing.

**

[Minimum] Standards for rentals [are needed] - if you want to make a buck off me, fine, but at least ensure the place meets minimum standards of quality with a greater emphasis on energy efficiency - if I have to run air con on full steam all night during summer, which is not counted for anywhere.

**

More security and rights for renters, the option of longer term leases (preferably without raises in the rent), more notification when asked to vacate. More fairness and transparency in the application process (it shouldn't go down to whoever can pay the most month's' rent in advance).

Long term tenancy agreements (5 - 10 years or more) should be offered as a way of ensuring tenancy security and given the continuing rise in prices in the property market, this would also take pressure off the housing market by making long term renting more attractive.

**

Quicker refunds from bond authority and stricter monitoring from government authorities on agents and landlords.

**

Better quality homes and standards, fairer system, more protection for renters.

**

Real estate agents acting more like a facilitator between the landlord and tenant rather than just pushing the landlord's interests. Tenants are very weary to contact their agent with issues for fear of negative consequences.

**

ELLEN SANDELL
STATE MP FOR MELBOURNE
t: (03) 9328 4637 e: office@ellensandell.com
146–148 Peel St, North Melbourne VIC 3051
ellensandell.com
/ellensandell.mp
@ellensandell

MADE WITH 100% RECYCLED POST-CONSUMER WASTE

Better apartment design - more space and light.

**

Place more restrictions on rent bidding (offering more per week, offering months of rent in advance). Provide the option of paying for an additional pet bond so people can have pets more easily. Offer longer term rentals and ensuring there is more housing security (i.e more notice required when owner is selling or moving back in)

**

Landlords have also had the following experiences, and asked me to submit this to the review on their behalf.

**

Have agents and/ or the bond authority manage transferal of bond when a portion of the renters leave a property. In other words, release the bond to said renters and bill the remaining renters for that bond portion. The current system offers no recourse when this situation occurs.

**

Better renter's rights for good tenants, restrictions on the number of investment properties - including restrictions to one personal house, and one investment house per person. Set rental amounts - fixed based on location and facilities, rather than discretionary amounts.

**

Rate rises, landlords taking over from agents and going quiet without contact details, difficult to confirm and pin down maintenance.

**

Actual rights for renters. Rights for renters who need to rent, or want to rent long-term and treat the rental properties with respect and care. Rights for renters who want to live in a home, not a hotel.

**

Better standards! Website with information about what is not acceptable, law in which rent will be reduced if maintenance is being neglected, third party house inspections to see if it is still considered liveable; and mandatory improvement of insulation, and water collection (also for older houses). Mandatory solar for newly build properties (just like mandatory water collection).

**

ELLEN SANDELL
STATE MP FOR MELBOURNE

t: (03) 9328 4637 e: office@ellensandell.com
146–148 Peel St, North Melbourne VIC 3051

/ellensandell.mp
@ellensandell

ellensandell.com

MADE WITH 100% RECYCLED POST-CONSUMER WASTE

A basic certificate of liveability on all homes for sale or rent - A guarantee of double glazed windows, insulation, efficient heating/cooling and all draughts sealed. A guarantee of no rising damp, no mold, no broken roof tile, no cracked window panes etc.

**

If there are appliances that come with a rental, they should be clean and fully working.
The offer of longer term leases (3+ years) that come with negotiated rights - the right to paint the house and change the garden as the tenant likes, to be returned to an agreed state on leaving the lease. This could come with an increased bond, or other such responsibilities. For shorter leases this would be impractical.

**

Respect for both renters and landlords, for without each other's interest being met the system would not work. There has to be a balance, the pendulum cannot swing too far in either direction. We would have nowhere to live if we didn't have housing available to rent. So the right of both need to be in balance.

**

Reducing discrimination in rental applications, [make] it easier to apply for rental properties without having to jump hoops or lie on applications to avoid being red-flagged for reasons that don't affect capacity to pay rent and take care of property.

**

In Victoria, we need, right away, thousands and thousands of decent, affordable rentals that are secure for the long term. Why not the Danish model where you rent for life in a government owned flat. They are built for life. When people have secure housing they can put down roots, know and trust their neighbours and invest their energy into their community. Not only does long term rental (and rent control) help people financially, it saves governments' money long term because people with secure housing need less intervention and fewer services.

**

ELLEN SANDELL
STATE MP FOR MELBOURNE
t: (03) 9328 4637 e: office@ellensandell.com
146-148 Peel St, North Melbourne VIC 3051
/ellensandell.mp
@ellensandell
ellensandell.com

MADE WITH 100% RECYCLED POST-CONSUMER WASTE

I do not buy the government's' excuses that building affordable housing is too expensive. There are a thousand ways our state and national governments can cut fat, and they know it. They need to be held to account that they govern for all people, not just the privileged.

**

Longer leases, more pet-friendly, tighter requirements for agents or landlords around repairs and associated time frames/recourse. More freedom to treat the place like a home (e.g. installing different blinds, seals to door frames, potentially painting walls) with associated stricter make good requirements.

**

[We need] rights to own pets, longer leases, less interference from landlords. Ours comes to most inspections which makes it feel like it's her house not ours.

**

Fixed prices for at least 3 years, 2-3 months to find a new place if evicted and fairer prices.

**

Leases that go beyond 2 years. Leave rent or even lower rent for excellent tenants. Allow pets and charge a pet bond. Reasonable rents for apartment sizes.

**

I'm sure negative gearing and capital gains tax have had an impact on housing prices.

**

Penalties for unreasonable behaviour by owners and their Agents.

**

More options/protections for low-income people, ways to report or check that properties are being rented for what they're worth not compared to the most expensive in the immediate area. Encourage inner city density (share houses,) over small families in big houses who own cars

**

Penalties for unoccupied investment properties. Security of tenure. More social affordable housing

**

ELLEN SANDELL
STATE MP FOR MELBOURNE
t: (03) 9328 4637 e: office@ellensandell.com
146–148 Peel St, North Melbourne VIC 3051
/ellensandell.mp
@ellensandell
ellensandell.com

MADE WITH 100% RECYCLED POST-CONSUMER WASTE

ELLEN SANDELL
STATE MP FOR MELBOURNE

Landlords also expressed their views on the Residential Tenancies Act review, although they were a lot fewer in number, their views are represented below:

> There are two sides to every story and any change needs to be balanced.
>
> Tenants can cause serious damage to a property and under the present VCAT lenience, are asked to pay just a fraction of what it costs in current market conditions to repair the damage, so that ends up being an additional cost burden to owners. Which if it happens a few times can be a disincentive to owners maintaining the property.
>
> ***
>
> I rented out my former home a year ago and after just four months of smashed windows etc the house was destroyed in a suspicious house fire with one tenant arrested. Please consider both parties to tenancy agreements. If we could have evicted the tenants earlier I am almost certain I would still have my house. While I had insurance the cost to society of such incidents is high and of course environmentally costly too.
>
> ***
>
> I am a landlord. I am, I believe, a good one.
> My last tenants left me with a large bill to restore my house to good condition. Walls had to be fixed, carpets replaced, blinds replaced, lots of cleaning and painting to be done.
>
> ***

I trust that you will take this input from my constituents into serious consideration in the review of this act.

Yours Sincerely,

ESandell

**Ellen Sandell MP**
State Member for Melbourne
Greens Spokesperson for Housing
Greens Spokesperson for Consumer Affairs

**ELLEN SANDELL**
**STATE MP FOR MELBOURNE**
t: (03) 9328 4637 e: office@ellensandell.com
146–148 Peel St, North Melbourne VIC 3051
/ellensandell.mp
@ellensandell
ellensandell.com

MADE WITH 100% RECYCLED POST-CONSUMER WASTE