

From: [REDACTED]
To: [Community Support and Services Committee](#)
Subject: Submission Housing Legislation Amendment Bill 2021 and Residential Tenancies and Rooming Accommodation (Tenants Rights) and Other Legislation Amendment Bill 2021
Date: Monday, 12 July 2021 9:44:18 PM
Attachments: [image002.png](#)
[image003.png](#)
[image004.png](#)
[image005.png](#)
[image006.png](#)

Committee Secretary
Community Support and Services Committee
Parliament House
George Street
Brisbane Qld 4001

Dear Committee,

Thank you for this opportunity to make a submission. This submission is made in conjunction with the Housing Legislation Amendment Bill 2021 and Residential Tenancies and Rooming Accommodation (Tenants Rights) and Other Legislation Amendment Bill 2021.

My name is Julie Rudd, and I am the joint owner of Professionals Cairns Beaches. We've been operating in the Real Estate industry for the past 13 years.

Housing Legislation Amendment Bill 2021

Support tenants and residents to enforce their existing rights by removing the ability for lessors and providers to end tenancies without grounds.

As in both bills, the removal of without grounds is cause for many concerning outcomes.

With the proposed removal of without grounds for lessors, an unintended consequence may be if a tenant is offered a new fixed term agreement contract, prior to an existing fixed term contract ending (as is best practice today), and the tenant fails to enter into a new contract, a notice to leave for this provision may be given due to the lessor risk management and lessor insurance coverage. Most lessor insurance policies, provide no of limited coverage for periodic tenancies. Common practice is for agents to contact lessors 3 months prior to expiration of fixed term lease so if lessors are not wishing to extend the fixed term then a notice to leave is issued within the prescribed time. This continued process is why we have some of the highest amount of fixed term tenancies. If a tenant refuses to sign a new agreement then the tenancy would become periodic leaving the lessor (investor) with the high risk and possible dangerous situation, due to not having the option to issue notice with out grounds.

We have had many occasions where the tenancy situations have changed. Example, relationship break down, job loss, drug additions and possible violence. The owner is then left in a precarious situation where the tenant can then give them 2 weeks' notice to leave, and lessors are then left with added costs for new tenancies and possible time delays in securing a new tenant

Our recommendation would be to keep the status quo and afford both parties the right to end a tenancy contract at any time by giving the appropriate notice without grounds or for end of lease. A suggestive 1 month for either party. This is a balanced approach and for those owners who may abuse then maybe penalty unit provisions for breach section 291 (the current provision for notice to leave without grounds).

Provide an expanded suite of additional approved reasons for lessors/providers and tenants/residents to end a tenancy.

The additional reasons for tenants to end tenancies will cause a greater imbalance in the Act. The tenant retains the right to provide two weeks' notice without grounds, whilst the lessor has that right removed. The proposed ground for tenants to end a tenancy because the property is not in good repair is broad and open for dispute and or potential abuse. Good repair should be defined so that all parties understand the meaning of good repair and to minimise and or alleviate dispute. The new proposed ground for tenants to end the tenancy if the property does not comply with minimum housing standards is similar risks as above.

Ensure all Queensland rental properties are safe, secure, and functional by prescribing minimum housing standards and introducing compliance mechanisms to strengthen the ability to enforce these standards.

We Professionals Cairns Beaches support properties being safe and fit to live in as per the current long-standing provisions of section 185.

The proposal for the entry condition report to be returned by the tenant from 3 day (current law) to an increase of 7 days is a concern. There being possible increased disputes regarding the condition of the property upon possession . Many things can change particularly here in far North Queensland in 7 days as compared to 3 days. For example: cyclone, or several large days of rain can cause possible damp: and if dust has occurred since cleaning, possible mould.

Proposed Schedule 5A (regulations) 1. states good repair. Good repair means different things to different people. Who will determine what is good repair? Before implementations this will need to be address Weatherproof and structurally sound are reasonable. Who will determine good repair and the meaning? This is open widely to possible dispute and differing views and should be addressed before implementation.

Strengthen rental law protections for people experiencing domestic and family violence.

We Professionals Cairns Beaches supports these mechanisms to assist victims suffering domestic and family violence.

Out only concerns are those parties still residing that can cause further damage and not pay additional bond. Therefore owner to left with repairs and rent over and above bond.

Notice to leave for serious breach.

Clause 57 amends current section 290A is encouraged to include general tenancies and not just public or community housing. Whilst clause 61 insertion of new section 297B which allows for application for termination for because of serious breach under a residential tenancy agreement is welcomed, the committee is urged to consider the obvious benefit to have this provision included in a new ground for notice to leave to expedite such serious matters.

Support parties to residential leases reach agreement about renting with pets.

The proposed changes appear to be reasonable in essence, as a reasonable and balanced approach for all parties. The only concerns are “if the pet is not a type of pet ordinarily kept inside, a condition requiring the pet to be kept outside the premises” Who determines the type of pet not ordinarily kept inside? This is open to dispute and needs to be clarified. In relation to Proposed 184F section 3 (d) – Security deposit. We as an agency believe a pet bond like WA legislation would be fair to introduce. If lessors are to approved pets then there is a higher possibility of possible damage and current bonds are not sufficient to cover, if any other issues not pet related are needed from the bond.

Orders of tribunal about carrying out emergency repairs.

Proposed new subsection 221 as noted from page 43 Explanatory notes is open for dispute due to the use of reasonable time frame. Reasonable time frame for both routine and emergency repairs should be defined to ensure all parties understand the time frames. Given this new proposed provision is subject to an application to tribunal for repair order, it is critical parties know the meaning to alleviate dispute and possible applications.

Residential Tenancies and Rooming Accommodation (Tenants Rights) and Other Legislation Amendment Bill 2021

Improve lease security by removing the ability for “no grounds” evictions or evictions for sale contract by the lessor and replacing these provisions with two new grounds for a notice to leave, being: - Occupation by the property owner or the owner’s close relative - Major renovations to be made to the property - Vary minimum notice periods for a notice to leave, including: - 6 months’ notice for owner/ relative occupation and major renovations.

The Government needs to consider another approach regarding the ending of tenancies. An unintended consequence which appears to not have been considered is Landlord insurance and risk. Most landlord insurance policies provide no, or limited coverage for periodic tenancies. As mentioned as discuss in our previous submission for the Housing Bill. Investors are becoming fearful that the Government is dictating how they can decide the future of their investment.

There are genuine concerns investors may leave the market due to their loss of right to end a tenancy contract for their asset without grounds. Forty-Eight hours after sending the proposed legislation to our owners for the Greens Bill our office received 10 requests from our investors to sell . This is a possibility the Government cannot find afford to risk, given supply and demand drive rental market price, plus, the lack of social housing and homelessness. All parties will suffer should the removal of without grounds proceed.

The introductions for the 6 months terms for owners or relatives moving in are unreasonable. For one we are required to confirm if it si the owner or relative moving in. This is contradictory to the clause where we can’t ask tenants personal information yet we expect an owner to prove this with whom his relatives are. Again, bias to side tenants . We can see on many occasions where situations change, family members may not end up moving in so owners should be penalised and not being able to relet. Hence causing possible financial hardships as no income and having to still cover costs for property and mortgages. Similar scenarios are with major renovations. There are areas proposed that need to be reconsidered. Repainting the interior of a property is not a minor renovation and having the tenant stay causes more costs to owner as contractor must attempt to work around tenant. Plus, possible paint damage to any tenants belongings. You then have tenants filing complaint that the fumes have caused headaches and want rent reduction as unliveable. We must also consider time frames and availability for contractors to preform works particular under the current market situations.

Section 291 of the RTRA Act clearly sets out when a notice to leave without reason cannot be given to a tenant.

Section 292 protects tenants who believe a lessor has contravened the provision.

Therefore, there is no need to add increased legislation unnecessarily.

Notice to leave for Contract of Sale – periodic tenancy. The new proposed Schedule 1 Notice periods for notice to leave for a sale contract for a periodic tenancy change from current 4 weeks to 2 months is of concern. The current section 286 of the RTRA Act allows for notice to leave to be given to a tenant with section 329 allowing four weeks’ notice to end the tenancy. The change from 4 weeks to 2 months is potentially going to affect some sales contract situations, particularly with owner occupier contracts. The tenant in this situation (periodic tenancy contract) can give 2 weeks’ notice to terminate the agreement. Situations may occur whereby tenants are given 2 months’ notice as per the proposed provision, and the tenant terminates on their grounds and give 2 weeks’ notice. The lessor (seller) will be in a position of a vacant property, and if contracts cannot be renegotiated, open for substantial loss. The other concern which may occur is reluctance of owner occupiers to buy properties that are rented which places the lessor property owner selling under potential duress if the sale is forced due to financial and or other hardship. They may then have to apply to have the tenancy terminated for excessive hardship ground.

Ensure certain inclusions in regulations made regarding minimum standards for rental homes.

The proposed amendment is of concern particularly amending section 17A to insert must as opposed to the current may and having a minimum standard for all provisions listed. Leaving section 17A as current, may allow for Government to react and respond if and as needed. Whilst Professionals Cairns Beaches supports measures to ensure properties continue to be safe and fit to live in, amending this provision to must is with risk. There are so many factors to consider including cost to investors, availability of contractors if and as needed. This proposed provision has added a complexity that is unnecessary. Section 185 of the RTRA Act sets out lessor obligations currently.

Remove the lessor or lessors' agent's ability to accept rent bids from prospective tenants.

Rent bidding is a misused and unfair word. There is no evidence rent bidding occurs in the industry. The use of the word rent bidding alludes to the thought that there is a form of 'auction' occurring which is not the case. The RTRA Act section 57 requires rent be advertised at a fixed amount. In line with current Office Fair trading laws words such as negotiable and price ranging are prohibited. Property managers cannot encourage or solicit offers from prospective tenants.

Limit rent increases to once every 24 months and by no more than CPI per year, including if there is a period for which the property is not rented or if current tenants move out and new tenants enter on a new lease.

Regulating when rents can be increased will lead to investor concern, scarcity and have them looking to diversify in other free markets. The real estate industry is mostly driven by supply and demand. Due to the pandemic, we have experienced an unprecedented amount of change in relation to people relocating to Queensland, investors selling and first home buyers and others buying property. Pricing is based on demand and supply as with most free markets. Regulating rental amounts and increasing is a of great concern given the need for investment in rental property to meet the demand now, and into the future. Regulating rent increases and amounts is not the solution to assisting tenants. Increased housing is the solution and incentives to invest to provide the housing needed. The Government have committed to increased housing however that will provide only part of the solution. The Residential Tenancies and Rooming Accommodation Act (RTRA Act) has provisions in place for rent increases during existing fixed term tenancy contracts, plus periodic tenancies. The tenant has ability to act and if need, apply to Tribunal (QCAT) to decide if a rent increase is excessive under Sections 91 and 92. Section 94 allows for rent to be increased in a six-month period only.

Give tenants the right to keep a pet unless the lessor applies successfully to the Queensland Civil and Administrative Tribunal ("the Tribunal") for an order refusing the pet on reasonable grounds.

The provisions in the Housing Legislation Amendment Bill 2021 regarding pets are by far more practicable and reasonable than this Bill. So many additional factors must be considered for this matter such as what is included in the Housing Legislation Amendment Bill including relevant laws including local and body corporate laws. As discuss in our submission in the Housing Bill a pet bond should also be considered.

Allow tenants to make minor modifications to a rental property without first obtaining the landlord's consent.

Section 217 to 219 of the RTRA Act currently cover tenants making fixture or structural changes to the property. Tenants have the right and should have to make the property their home. However, we need to remember that in reality it is not their home, only for the terms of the tenancy. The investor is the person who has all the association costs and risk that come with owning the property. Hence they should have a say as in any business transaction when you have an investment and not be dictated by the Government. We need to remember without our investors we would not have the properties for possible tenancies or the employment for our staff and us as agencies.

Provide for the prompt forwarding of water bills by lessors where a tenant is required to pay for water consumption charges.

Clause 16 Section 166 (2) the lessor gives copy water bill within 1 month after issue bill, we believe needs to be reviews to time frame of 2 months. Due to the fact most bills invoices when received from relative council bodies are not received by the agency or owner for at least 3 weeks after issue date. Time needs to be considered after receipt particularly if bill is directed to owner. Their maybe instances they are unable to check mail to due being away etc.

Please contact me if any additional information is required, and or any questions are raised as part of my submission.

My email is [REDACTED]

Kind regards

Julie Rudd
Director/Administrator

P [REDACTED]
F [REDACTED]

Professionals Cairns Beaches
Shop 1 Smithfield Business Centre
1057 Captain Cook Highway
Smithfield 4878 Qld Australia
www.professionalscairnsbeaches.com.au
[Free Market Appraisal](#)