Residential Tenancies and Rooming Accommodation and Other Legislation Amendment Bill 2024

Submission No: 40

Submitted by: Real Estate Excellence Academy Pty Ltd

Publication: Making the submission and your name public

Attachments: No attachment

Submitter Comments:

2nd April 2024

Committee Secretary

Housing, Big Build and Committee Secretary

Housing, Big Build and Manufacturing Committee

hbbmc@parliament.qld.gov.au

Contact details

Publication consent as Stacey Holt Real Estate Excellence (trading name) - Company name Real Estate Excellence Academy Pty Ltd

Dear Committee Secretary

- My name is Stacey Holt, and I am the business owner/CEO of Real Estate
 Excellence Academy. <u>realestateexcellence.com.au</u>. Due to other business
 commitments, I am making this submission now, however I may make
 further submissions before the closing date for written
 submissions 12.00pm, Wednesday, 10 April 2024.
 - I have been in the real estate industry for over 30 years. My company has been operating since 2010. My predominant role is best practice, compliance, and risk management for residential real estate, and currently have over 300 member offices throughout Queensland. We offer many services including advisory, best practice forms, and a 2000 plus page Property Management Excellence (PME) manual, plus system.
 - I also carry out regular Property Management Excellence training throughout Queensland and have done for just over 22 years.
- 2. I write in reply to the Residential Tenancies and Rooming Accommodation and Other Legislation Amendment Bill 2024.

- 3. It is acknowledged that the reforms form part of the Queensland Government "Homes for Queenslanders, which outlines a long-term, whole of system plan to ensure Queensland has an agile and sustainable housing system where all Queenslanders can access safe, secure and affordable housing. Homes for Queenslanders outlines a range of initiatives over five pillars, including —Build more homes faster; Support Queensland renters; Help first homeowners into the market; Boost our social housing; and Work towards ending homelessness", which were announced February 6, 2024. Sourced from the Explanatory notes to the Bill.
- 4. Given the housing situation, and crisis faced by many Queenslanders, a concern is the emphasis and language from the Government regarding the main objective is to "strengthen renter rights". The following has been sourced from the Explanatory notes to the Bill "Queensland Government has also committed to further rental law reform to strengthen renters' rights and stabilise rents".
- 5. As long-term advisor in the industry, I particularly witnessed during stage 1 of the reforms, a lot of misinformation and disinformation via media and social media using slogans and headlines. Although there are certainly a lot of other factors that were in play during that time (namely Covid), language used by the Government and by others during that period gave the industry, investors, and potential investors a lot of unnecessary fear. Whilst I understand and respect people should read the Explanatory notes, and the Bill before making assumptions, the reality is many do not largely due to time restrictions and their own reasons. Consideration is urged to be given by the Government of language that demonstrates fairness for all parties, as opposed to focusing on strengthening renter rights moving forward as Stage 2 progresses. Use of such language and focus will misinform investors, and

future investors and they may form a reasonable belief that they have no, or limited rights. Before the Bill was introduced into Parliament, the Premier and Housing Minister used words such as Portable Bond Scheme without more information at that time, which created understandable misunderstanding in the sector which led to belief that lessor/agents won't have right to a bond if a tenant breaches the Act or agreement when the tenancy is ended. There are other examples, but in the interest of the Committees time, I shall reference this one only.

- 6. I attended the Committees' public briefing on 2nd April 2024 via Parliament TV. The language by Department staff also reflected the focus on tenants. Hon. Jim McDonald (Deputy Chair) tried to ask questions which were thought to be more so policy and for the Parliamentary floor as advised by the Chair during the hearing. It was unfortunate the Deputy Chair could not be assisted or encouraged to rephrase questions as further insight would have been helpful.
- 7. Given the small window of opportunity to review the Bill and Explanatory notes, including Easter, school holidays etc., to meet the submission deadlines, my preliminary reading of the proposed changes is most of the proposals do strike a fair balance and are reasonable for all parties.
- 8. The structural changes and fixtures fittings proposal is reasonable and encourages best practice and communication. My understanding is this matter was going to form part of Stage 1 changes which commenced October 1, 2022, but due to complexities was held over. I also recall the Queensland Government in 2018 when the review first began using language such as 'tenants right to make a house a home'.

- 9. The proposed changes to Fixtures and structural changes generally also allow for reasonable objections, which do allow for Tribunal assistance to resolve disputes. A concern, which is not new in the sector, is if these provisions are needed, the possible time frame for resolution. Given Clause 74 is already amending the definition of an urgent application, consideration is recommended to be given to including this matter as an urgent application also. At this stage, the matter would be a non-urgent application which most likely take some considerable time before the matter could be heard and resolved. I understand that the RTA conciliation process would come into play under the current proposed provisions, but a generalisation is that the parties are most times past mediation and need a resolution.
- 10. A concern is the references in three new scenarios regarding time/notice periods. It is recommended a more consistent period is used. The below clauses propose 28 days and 4 weeks, noting that current legislation with no change proposed in the Bill is for the tenant to pay the water account within one month. It is recommended a period of one month is used for all new provisions to align with other common notice periods such as two months' notice to end fixed term tenancy, plus aligns with tenant obligation to pay a water account within one month. Streamlining the notice period for these provisions will assist the industry in best practice and compliance.
- 11. Below have been sourced from the Explanatory notes and are in conjunction with paragraph 10.

Clause 64 replaces sections 207 to 209 and inserts new section 209A.

New section 207 Process for approval to attach fixtures or make structural changes - body corporate approval applies to requests by a tenant to attach

fixtures or make structural changes where a body corporate law or by-law requires the approval of the body corporate before the fixture can be attached or the structural change made.

The tenant may, on the approved form, request to install a fixture or make a structural change to the premises. The lessor must decide within 28 days whether to approve or refuse the request, and advise the tenant of the lessor's decision. If the lessor approves the request, they must state that their approval is subject to the agreement of the body corporate.

Clause 58 amends section 167 Service charges for moveable dwelling premises individually metered to insert new sub provisions 167(4) to (6). New subsections 167(4) and (5) provide that if the tenant is required to pay an amount for outgoings that is charged by the relevant supply authority for the quantity of the thing, service or facility supplied to the premises, the lessor must give the tenant a copy of the documents about the amount charged by the relevant supply authority within 4 weeks after the lessor receives the documents. New subsection 167(6) provides that a tenant is not required to pay an amount for the outgoings if the tenant does not receive the copy of the documents under subsections (4) and (5) and within the required timeframe.

Clause 57 amends section 166 Water service charges for premises other than moveable dwelling premises to insert new sub provisions s 166(6A), (6B) and (6C). New subsections 166(6A) and (6B) provide that if the tenant is required to pay an amount for water consumption charges, the lessor must give the tenant a copy of the documents about the amount charged by the relevant water supplier within 4 weeks after the lessor receives the documents. New sub provision 166(6C) provides that a tenant is not required to pay an amount for the water service charges if the tenant does not receive the copy of the documents under subsections (6A) and (6B) and within the required timeframe.

Thank you for the opportunity to make this submission.

Yours sincerely

Stacey Holt

CEO

Real Estate Excellence Academy Pty Ltd trading as Stacey Holt Real Estate Excellence

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